

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 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.*
- *The individuals listed below were part of the “appraisal team” and provided significant real property appraisal assistance to the person signing this certification.*

Erik Prestegaard – Commercial Appraiser II

Analysis Process

Effective Date of Appraisal: January 1, 2008

Date of Appraisal Report: April 30, 2008

The following appraiser did the valuation for this geographic area:

- Erik Prestegaard – Commercial Appraiser II

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 of the majority of the appraised parcels as commercial use. Any opinion not consistent with this is specifically noted in our 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 the 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 token value of \$1,000.00 is assigned to the improvements.

Interim Use: In many instances a property's highest and best use may change in the foreseeable future. A tract of land at the edge of a city might not be ready for immediate development, but current growth trends may suggest that the land should be developed in a few years. Similarly, there may not be enough demand for office space to justify the construction of a multistory office building at the present time, but increased demand may be expected within five years. In such situations, the immediate development of the site or conversion of the improved property to its future highest and best use is usually not financially feasible.

The use to which the site is put until it is ready for its future highest and best use is called an interim use. Thus, interim uses are current highest and best uses that are likely to change in a relatively short time.

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 via field inspection.

Special Assumptions and Limiting Conditions

All three approaches to value were considered in this appraisal.

The following Departmental guidelines were considered and adhered to:

- Sales from 01/01/2005 to 12/31/2007 (at minimum) were considered in all analyses.
- No market trends (market condition adjustments, time adjustments) were applied to sales prices. Models were developed without market trends. The utilization of three years of market information without time adjustments averaged any net changes over that time period.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6.

Identification of the Area

Name or Designation:

- **Area 90: Woodinville / Redmond / East Kirkland**

Boundaries:

- North line – Snohomish County (NE 205th St.)
- West line – I-405 within the city of Bothell and the Kingsgate neighborhood to NE 132nd St. then south along Willows Rd and 148th Ave NE.
- East – W Snoqualmie River Rd. to NE Ames Lk Road then west along NE Redmond/Fall City road to Lk Sammamish.
- South line – Southwest Redmond (NE 26th St.) east to Lake Sammamish and continuing east along the Redmond/Fall City Rd.

Maps:

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

Area Description:

Area 90 consists of 11 separate neighborhoods all being located predominately in the cities of Redmond, Woodinville, and east Bothell (North Creek). The remainder of the area is within unincorporated King County.

Neighborhoods:

Neighborhood 90-10 Northcreek

Boundaries:

Neighborhood 10 is located within the city of Bothell's North Creek planning district east of I-405 and north of SR522. The neighborhood is part of the larger North Creek/Canyon Park submarket extending north into Snohomish County.

Description:

Neighborhood 10 is considered a relatively young neighborhood with most buildings having been constructed within the last 20 years. Schnitzer Northwest and Quadrant are the major owners/developers to this area having created a wide mixture of office, warehouse, retail, business parks and high-tech/flex buildings. Major businesses include Cingular Wireless, Group Health, The Seattle Times, and Home Depot.

Neighborhoods 90-15 & 90-25 Woodinville Industrial

Boundaries:

Neighborhood 90-15 is located east of SR 522 and generally north of the downtown Woodinville business district to the King County line. Neighborhood 90-25 is located south of the downtown business district adjacent to Woodinville-Redmond Rd NE to south of NE 145th St.

Description:

Neighborhoods 90-15 & 90-25 are considered the industrial/general use districts of Woodinville. Most buildings are larger warehouses or auto/general use properties. The neighborhood also includes a portion of the Woodinville winery district. Major businesses include Precor, Redhook Brewery, Columbia Crest, Novelty Hill, and St. Michelle wineries.

Neighborhood 90-20 Woodinville Business District

Boundaries:

Neighborhood 90-20 is primarily the downtown city center district of Woodinville and includes properties generally adjacent to NE 175th St and NE Woodinville Dr.

Description:

Neighborhood 90-20 is the main business core of Woodinville with NE 175th being the main corridor. The properties consist typically of a mixture of retail and office buildings constructed between 1960 and 1990. Major businesses include Molbak's, numerous line-retail malls, the newer Woodinville Town Center shopping center, and the City of Woodinville government buildings.

Neighborhood 90-30 Willows Rd

Boundaries:

Neighborhood 90-30 is generally located along Willows Rd. within Redmond and unincorporated King County. The northerly boundary is generally NE 132nd St. and the southerly boarder includes Willows Golf Course.

Description:

Neighborhood 90-30 is considered part of the "high-tech/flex" corridor of northeast King County with buildings typically consisting of a mixture of office and warehouse space. Major centers and businesses located here include the Quadrant Willows Corporate Center, Willows Creek Corporate Center, Physio Control, numerous tech/flex tenants, and the Willows Run golf course.

Neighborhood 90-35 Kingsgate

Boundaries:

Neighborhood 90-35 is a relatively small neighborhood of scattered parcels within unincorporated King County. It is generally located east of I-405, south of Woodinville, and north of NE 132nd St.

Description:

Neighborhood 90-35 is generally an older neighborhood with most buildings constructed between 1965 and 1985. The Kingsgate shopping center is the major commercial retail area with the remainder consisting of multi-family and assorted retail/office uses.

Neighborhood 90-40 Rural Woodinville/Redmond

Boundaries:

Neighborhood 90-40 includes the rural portions of Woodinville and Redmond extending to W Snoqualmie River Road and picks up a wide range of zoning and uses.

Description:

Neighborhood 90-40 is the most rural neighborhood of Area 90. Bear Creek and Trilogy golf courses are located here.

Neighborhoods 90-45 and 90-55 Redmond Industrial

Boundaries:

Neighborhood 90-45 is located within the west side of Redmond generally between 148th Ave NE and the Sammamish River. Neighborhood 90-55 is located within the east side of Redmond generally south and east of SR 520, and adjacent to NE Union Hill Rd.

Description:

Neighborhoods 90-45 & 90-55 are considered the industrial/business park areas of Redmond.

Neighborhood 90-50 Redmond Business District

Boundaries:

Neighborhood 90-50 is primarily the downtown city center district of Redmond. The location is generally north of SR520, east of the Sammamish River, west of Avondale Rd, and south of NE 95th St.

Description:

Neighborhood 90-50 includes the main downtown Redmond business core and also part of the nearby multi-family use properties in the area. The Redmond Town Center regional shopping center is located here along with a strong mixture of office and retail uses. In recent years there has been a strong demand for multi-family buildings and condominiums which has competed with the more traditional commercial use properties. A large percentage of the buildings were constructed between 1945 and 1985 and the area is now experiencing a high number of teardowns.

Neighborhood 90-60 Overlake Microsoft

Boundaries:

Neighborhood 90-60 is located generally west of 148th Ave NE and north of Bellevue-Redmond Rd. and south of the downtown commercial district of Redmond.

Description:

Neighborhood 90-60 is considered part the high-tech campus region for Redmond. Zoning emphasizes larger campus size settings with the Microsoft and Nintendo corporate offices being located here. Microsoft owns over 475 acres and is continuing with their building expansion. Several smaller multi-family, office and retail use properties are also located within this neighborhood.

Physical Inspection Area:

Neighborhoods 90-45 and 90-55 located in the industrial areas of Redmond were physically inspected for this cycle. There are 216 parcels comprising 16% of Area 90. Information for the remaining portion of Area 90 is based on existing County records and data as inspected during prior years.

Preliminary Ratio Analysis

A Preliminary Ratio Study of existing values was done in April 2008. The study included sales of improved parcels and showed a COV of 12.72%.

The study was repeated after application of the 2008 recommended assessed values. The results are included in the validation section of this report showing a difference in the COV from 12.72% to 9.81%.

Scope of Data**Vacant Parcel Data:**

The land valuation consisted of a review of all vacant land sales within Area 90 from 1/1/2004 through 12/31/2007. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. For land valuation purposes, the assessor used a GIS (Geographic Information System) as the primary tool to establish new assessed land values. The new land values are based on neighborhood land sales that are equalized with adjacent and similarly zoned properties.

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 were verified if possible by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Due to time constraints, interior inspections were limited. 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 Change Summary:**

The recommended land value for the 2008 Assessment year (taxes payable in 2009) results in an average total change from the 2007 land Assessments of +15.65%. The total land assessed value for the 2007 Assessment year for Area 90 was \$1,474,575,846 and the total recommended land assessed value for the 2008 Assessment year is \$1,705,621,000.

	2007 Total	2008 Total	\$ Increase	% Change
Total Land Values	\$1,474,575,846	\$1,705,621,000	\$213,045,154	+15.67%

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.

North Creek (Area 10)

The North Creek neighborhood is defined by the area within the North Creek planning district located in the city of Bothell east of I-405. Zoning consists primarily of a Planned Unit Special Overlay classification including R15, OP, CB, LI and MVSO. An additional smaller multi-family zone R2800 falls within this neighborhood.

The assessor considered recent historic sales (4 years) and a GIS (Geographic Information System) as the primary method of establishing new assessed land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. Factors including zoning, location influence and lot size were a primary indicator for estimating land values.

Lot sizes are typically 100,000 to 200,000 sqft.

Land values are generally \$17/sqft.

No new land sales were reported for this neighborhood.

Woodinville Industrial - North Woodinville (Area 15), South Woodinville (Area 25)

The Woodinville Industrial neighborhoods are defined by properties located within the I (Industrial) & GB (General Business) zoned district of Woodinville. The cities manufacturing and warehouse facilities are generally located within this area. An additional smaller multi-family R zone and Agricultural zone area falls within this district. Bear Creek is noted to run through part of this neighborhood.

The assessor considered recent historic sales (4 years) and a GIS (Geographic Information System) as the primary method of establishing new assessed land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. Factors including zoning, location influence and lot size were a primary indicator for estimating land values.

Land values for I zoned properties are generally within \$12-\$16/sqft. and values for GB zoned generally within \$18-\$22/sqft.

6 land sales since 1/2004 are included for this area.

Area /Nbhd	Parcel Number	Sale Price	Sale Date	Excise #	Price /sqft	Lot Size	Zone
90-15	092605-9068	\$1,130,000	4/14/06	2201388	\$6.0	189,050	R11
90-15	102605-9002	\$9,500,000	4/26/06	2202752	\$9.0	1,058,351	R48
90-15	092605-9104	\$555,000	1/5/07	2260168	\$11.1	49,800	I
90-15	032605-9127	\$2,250,000	10/4/07	2314382	\$16.6	135,564	I
90-25	152605-9096	\$2,050,600	8/24/05	2153415	\$12.5	164,674	I
90-15	951710-0190	\$1,800,000	7/1/04	2051960	\$20.2	89,071	GB

Woodinville – Downtown (Area 20)

The Downtown Woodinville neighborhood is the business core of Woodinville and defined by properties falling within the CBD (Central Business District), O (Office), and P/L (Public/Institutional) zoning. An additional multi-family R zone falls within this district. The neighborhood plan emphasizes a broad mix of retail, higher density residential, wholesale, service and recreational/cultural uses.

The assessor considered recent historic sales (4 years) and GIS (Geographic Information System) as the primary method of establishing new assessed land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. Factors including zoning, location influence and lot size were a primary indicator for estimating land values.

Land values typically range within \$30-\$40/sqft.

3 land sales since 1/2004 are included for this area.

Area /Nbhd	Parcel Number	Sale Price	Sale Date	Excise #	Price /sqft	Lot Size	Zone
90-20	102605-9176	\$410,000	5/13/05	2122850	\$30.8	13,319	R-18
90-20	092605-9153	\$420,000	12/23/05	2178225	\$12.0	34,848	CBD
90-20	951710-0050	\$1,350,000	10/20/04	2077882	\$35.9	37,608	CBD

Redmond – Willows Road (Area 30)

The Willows Road neighborhood is defined by properties located on Willows Road within the city of Redmond and extending north through unincorporated King County to Woodinville. This neighborhood is considered part of the regions Technology Corridor and includes a diverse mixture of office, high-tech/ flex, and industrial users. Zoning is predominately a mix of BP (Business Park) and ISO (Industrial Special Overlay). Additional UR (Urban Recreational) and MU (Multiple Use) zoning falls within this neighborhood. Development is somewhat limited due to the areas adjacent steep topography.

No new land sales for this area are included therefore land sales from other similar neighborhoods were considered. Factors including zoning, location influence and lot size were a primary indicator for estimating land values.

Land values typically range within \$14-\$16/sqft.

No new land sales were reported for this neighborhood.

Kingsgate (Area 35)

The Kingsgate neighborhood is defined by the area located north of NE 132nd St, east of I-405 and south and west of Woodinville city limits. The zoning is a diverse mix including a high proportion of multi-family/ residential type properties.

The assessor considered recent historic sales (4 years) and a GIS (Geographic Information System) as the primary method of establishing new assessed land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. Factors including zoning, location influence and lot size were a primary indicator for estimating land values

Land values have a wide range reflecting the diversity from \$7-\$30+/sqft.

2 land sales since 1/2004 are included for this area.

Area /Nbhd	Parcel Number	Sale Price	Sale Date	Excise #	Price /sqft	Lot Size	Zone
90-35	162605-9081	\$2,000,000	6/15/04	2047275	\$11.6	172,500	OSO
90-35	212605-9054	\$1,150,000	2/28/06	2189272	\$14.0	81,892	R6SO

Rural Woodinville/Redmond (Area 40)

The rural areas of Woodinville and Redmond are combined into Neighborhood 40 and include a range of zones from agricultural, business, to multi-family. Predominate zones are NB (Neighborhood Business), NC (Neighborhood Commercial), TB (Tourist Business), and URPSO (Urban Reserve – special overlay).

The assessor considered recent historic sales (4 years) and a GIS (Geographic Information System) as the primary method of establishing new assessed land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. Factors including zoning, location influence and lot size were a primary indicator for estimating land values

3 land sales since 1/2004 are included for this area.

Area /Nbhd	Parcel Number	Sale Price	Sale Date	Excise #	Price /sqft	Lot Size	Zone
90-40	012605-9035	\$265,000	3/1/06	2190397	\$.63	424,274	RA5
90-40	720239-0060	\$646,600	9/8/05	2153242	\$20	32,330	URPSO
90-40	720239-0070	\$784,600	10/31/05	2165865	\$20	39,230	URPSO

Redmond Industrial – West Redmond (Area 45), East Redmond (Area 55)

The Redmond Industrial neighborhoods are defined by properties generally associated with a mixed manufacturing/ industrial use. Zoning is typically BP (Business Park), MP (Manufacturing Park), and I (Industrial) properties of Redmond. The cities GC (General Commercial) and GDD (Gateway Design District) areas are also included. The outlining area within this neighborhood includes a small amount of mixed use high density R residential zoning. The assessor considered recent historic sales (4 years) and a GIS (Geographic Information System) as the primary method of establishing new assessed land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. Factors including zoning, location influence and lot size were a primary indicator for estimating land values

Lot sizes are large and typically range from 30,000sqft to 500,000+sqft.

Land values for BP & MP zoned properties typically range from \$12-\$16/sqft. and values for GC zoning typically range within \$25-\$32/sqft+.

11 land sales since 1/2004 are included for this area.

Area /Nbhd	Parcel Number	Sale Price	Sale Date	Excise #	Price /sqft	Lot Size	Zone
90-55	012505-9040	\$789,000	6/14/07	2294550	\$4.24	186,001	BP
90-55	131830-0020	\$2,550,000	10/9/06	2244726	\$10.9	233,182	BP
90-55	131830-0190	\$300,000	8/28/05	2151433	\$9.4	31,932	MP
90-55	131830-0180	\$725,000	8/28/05	2151438	\$10.3	70,432	MP
90-55	072506-9117	\$1,625,000	8/31/04	2066483	\$10.6	153,727	MP
90-45	943050-0120	\$925,000	12/20/04	2093626	\$17.0	54,551	MP
90-45	022505-9060	\$3,600,000	1/13/06	2181382	\$22.4	160,527	GC
90-55	122505-9160	\$1,650,000	9/16/04	2070102	\$30.4	54,356	GC
90-55	122505-9041	\$9,000,000	7/26/04	2057451	\$32.8	274,434	GC
90-45	102505-9215	\$1,932,000	8/10/06	2231083	\$5.9	328,418	R5
90-45	022505-9121	\$1,900,000	3/10/05	2198516	\$33.7	56,425	R30

Downtown Redmond (Area 50)

The Downtown Redmond neighborhood is the business core of Redmond and defined by properties falling within the CC1 through CC6 (City Center) zones. The zonings allow for a wide

range of uses ranging from a major regional shopping center facility and associated office/retail use to moderate density residential housing. The outlining areas within this neighborhood consist of R1–R30 zoning comprised of higher density residential and condominium communities.

The assessor considered recent historic sales (4 years) and a GIS (Geographic Information System) as the primary method of establishing new assessed land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. Factors including zoning, location influence and lot size were a primary indicator for estimating land values

Land values for CC zoning typically range from \$45-\$70+/sqft.

10 land sales since 1/2004 are included for this area.

Area /Nbhd	Parcel Number	Sale Price	Sale Date	Excise #	Price /sqft	Lot Size	Zone
90-50	927070-0090	\$600,000	6/18/04	2049741	\$40.0	15,000	CC5
90-50	779290-0245	\$475,000	10/20/04	2080963	\$42.8	11,098	CC6
90-50	122505-9111	\$1,650,000	10/20/04	2081569	\$50.5	32,540	CC1
90-50	671970-0065	\$1,850,000	1/26/07	2262625	\$54.3	34,080	CC6
90-50	122505-9085	\$650,000	3/15/07	2274249	\$54.3	11,962	CC3
90-50	660050-0050	\$660,000	10/19/05	2164464	\$59.9	11,020	CC4
90-50	012505-9113	\$550,000	3/26/07	2274906	\$66.4	8,302	CC6
90-50	779290-0175	\$1,175,000	11/2/06	2249367	\$70.3	16,697	CC6
90-50	362605-9081	\$2,600,000	3/1/06	2191925	\$11.9	217,799	R4
90-50	720000-0251	\$987,000	7/28/04	2058677	\$11.7	84,106	R20

Overlake/ Microsoft (Area 60)

The Overlake/ Microsoft neighborhood is defined as properties located within the OV zone (Overlake Business and Advanced Technology) in the city of Redmond. The zone provides for advanced technology uses, research and development uses, corporate offices, compatible high technology manufacturing, and distribution uses. The corporate offices of Microsoft and Nintendo are located here. Parcel sizes are large, typically ranging from 1 to 15+ acres reflecting multiple building campus style settings.

An additional Retail Commercial (RC) zoned and multi-family zoned area is also located within this neighborhood.

The assessor considered recent historic sales (4 years) and a GIS (Geographic Information System) as the primary method of establishing new assessed land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. Factors including zoning, location influence and lot size were a primary indicator for estimating land values

Land values for OV zoned parcels are typically \$30-\$40/sqft.

1 land sale since 1/2004 is included for this area.

Area /Nbhd	Parcel Number	Sale Price	Sale Date	Excise #	Price /sqft	Lot Size	Zone
90-60	105400-0040	\$1,280,000	5/24/04	2044662	\$35.6	35,986	RC

Improved Parcel Total Values:

Economic Considerations:

The commercial real estate market for Area 90 continues to remain strong. Current land sales are indicating the demand for land is very high with the continuing trend in tearing down existing

structures for new developments. New construction includes the Riverpark development in Redmond, continued expansion on the Microsoft campus, and several condominium projects.

Rents in the office and warehouse markets are moving upward and vacancy rates falling. Sales within the warehouse market are particularly strong this year.

Retail continues to remain strong with still historically low vacancy rates that are up slightly from last year.

As a result of the continued strong economic activity and sales, values have continued to increase in Area 90.

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. A search was made on data that most closely fit a subject property within each geographic area.

Sales comparison 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.

Cost approach model description

Cost estimates are automatically calculated via the Marshall & Swift Valuation modeling system. Depreciation was based on studies done by Marshall & Swift Valuation Service. The cost was adjusted to the western region and the Seattle area. Cost estimates were relied upon for valuing special use properties where comparable sales data and/or income/expense information is not available. These properties are typically exempt properties such as churches, schools, public utility buildings, and park improvements. Non-exempt buildings that are valued by the Cost method might be fraternal halls, daycares, and on-going new construction.

Cost calibration

The Marshall & Swift Valuation modeling system which is built in the Real Property Application is calibrated to the region and the Seattle area.

Income capitalization approach model description

The Income Approach was considered a reliable approach to valuation throughout Area 85 for improved property types where income and expense data is available to ascertain market rates. Income parameters were derived from the market place through market rental surveys, sales, and available real estates publications and websites.

Income approach calibration

Income tables were developed for each of the twelve neighborhoods. The tables are for the following property types: Retail, Industrial Engineering Buildings, Medical and Dental Offices, Discount Stores Storage Garage, Basement Finish, Restaurant, Storage Warehouse, Office, and an exclusion table indicating property uses not covered by an income table. Some property uses,

such as offices, have multiple tables depending upon the net rentable area. There are a total of 302 tables. All tables are included.

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. When the value of the property by the income approach was less than the land value, a minimal \$1,000 value was allocated to the improvements. For properties where sales and income/expense data was not available, the Cost Approach was utilized.

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 personal analysis of the sales in the area on sold properties where there was income information available, and 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 – 16th Annual Real Estate Trends

Income Capitalization Approach model description

The income approach is considered the most reliable approach to valuation in area 90 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
Korpacez: 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 90, 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 90 to develop the income model. The range of capitalization rates in the income model for area 90 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 90 that are valued by the income approach include, but are not limited to, offices, retail stores, and mixed-use buildings.

Economic Income Information

Income tables were created for many of the property types. A summary and typical breakdown of the income information used for the primary markets follows. These tables are included as a guide and individual property rates and conditions may vary.

Area 90-10/ 15/ 20/ 25 – North Creek/ Woodinville

Land Use:	Rent Range per Sqft	Vacancy/Coll. Loss %	Expense Rate %	Capitalization Rate %
Office	\$15.00 to \$24.00	5% to 15%+	8%	6.75% to 8.5%
Retail/Mixed Use	\$15.00 to \$27.00+	4 to 5%	8%	6.75% to 8.5%
Industrial/ Whse.	\$5 to \$7.50	6% to 10%+	8%	6.75% to 8.5%

Office annual rents typically ranged from \$15 to \$24 per triple net rentable area to full service rents with vacancy rates at 5% to 15%+ for this period. Retail and mixed-use retail were valued based on triple net to full service rents ranging from \$15 to \$27+ reflecting a continued strong market with vacancy rates at 4% to 5%. Industrial, storage, and warehouse properties typical annual rent ranged from \$5 to \$7.50 per net rentable area with a continued high vacancy rate. General annual expense rates used were 8%.

Area 90-45/ 50/ 55 - Redmond West/ City Center/ East

Land Use:	Rent Range per Sqft	Vacancy/Coll. Loss %	Expense Rate %	Capitalization Rate %
Office	\$15.00 to \$25.00	6% to 10%	8%	6.75% to 8.5%
Retail/Mixed Use	\$15.00 to \$30.00+	4% to 5%	8%	6.75% to 8.5%
Industrial/ Whse.	\$5.75 to \$7.80	5% to 10%+	8%	6.75% to 8.5%

Office annual rents typically ranged from \$15 to \$25 per triple net rentable area to full service rents with vacancy rates in a healthy 6% to 10% range for this period. Retail and mixed-use retail were valued based on triple net to full service rents ranging from \$15 to \$30+ reflecting a continued strong market with vacancy rates from 4% to 5%. Industrial, storage, and warehouse properties typical annual rent ranged from \$5.75 to \$7.80 per net rentable area with a still high but improving vacancy rate. General annual expense rates used were 8%.

Area 90-35 / 65 - Kingsgate/ East Kirkland

Land Use:	Rent Range per Sqft	Vacancy/Coll. Loss %	Expense Rate %	Capitalization Rate %
Office	\$15.00 to \$28.00	6% to 9%	8%	6.75% to 8.5%
Retail/Mixed Use	\$14.00 to \$23.00+	4 to 5%	8%	6.75% to 8.5%

Office annual rents typically ranged from \$15 to \$28 per triple net rentable area to full service rents with vacancy rates in the 6% to 9% range for this period. Retail and mixed-use retail were valued based on both triple net to full service rents ranging from \$14 to \$23+ reflecting a continued strong market with vacancy rates from 4% to 5%. General annual expense rates used were 8%.

Area 90-30/60 – Overlake/Microsoft / Willows

Land Use:	Rent Range per Sqft	Vacancy/Coll. Loss %	Expense Rate %	Capitalization Rate %
Office	\$17.00 to \$28.00	5 to 10%	8%	6.75% to 8.5%
Retail/Mixed Use	\$17.00 to \$34.00+	4 to 5%	8%	6.75% to 8.5%

Office annual rents typically ranged from \$17 to \$28 per triple net rentable area to full service rents with vacancy rates in the 5% to 10% range for this period. Retail and mixed-use retail were valued based on triple net to a full service rent ranging from \$17 to \$34 + per rentable area with vacancy rates from 4% to 5%. General annual expense rates used were 8%.

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

The area appraiser reviewed all value estimates before final value selection. Each appraiser can adjust any or all of the factors used to establish value by the model. The market rents as established by the income model were used as a guide in establishing the market rental rates used. The market rental rates applied can vary somewhat but fall within an acceptable range of variation from the established guideline. Final value selects were reviewed by the Senior Appraiser before posting.

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 during the entire cycle 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 reflected in the weighted mean ratio of 1.006%. 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.

The total assessed value for the 2007 assessment year for Area 90 was \$2,760,572,628. The total recommended assessed value for the 2008 assessment year is \$3,057,606,800.

Application of these recommended values for the 2008 assessment year (taxes payable in 2009) results in an average total change from the 2007 assessments of +10.76%. The total value for the Geographic assigned parcels increased as follows:

	2007 Total	2008 Total	\$ Change	% Change
Total Value	\$2,760,572,628	\$3,057,606,800	\$297,034,172	10.76%

Note: More 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 located in the King County Administration Building.

Area 090
2008 Assessment Year
A 2008 Ratio Looking at Sales Using the 2007 Assessment Values

Quadrant/Crew: East Crew	Lien Date: 1/1/2007	Date: 4/10/2008	Sales Dates: 1/5/05 - 10/17/07																
Area 90	Appr ID: EPRE	Prop Type: Improvement	Trend used?: Y / N N																
SAMPLE STATISTICS		<div><div>Ratio Frequency</div><table><thead><tr><th>Ratio</th><th>Frequency</th></tr></thead><tbody><tr><td>0.6-0.7</td><td>1</td></tr><tr><td>0.7-0.8</td><td>1</td></tr><tr><td>0.8-0.9</td><td>5</td></tr><tr><td>0.9-1.0</td><td>11</td></tr><tr><td>1.0-1.1</td><td>21</td></tr><tr><td>1.1-1.2</td><td>13</td></tr><tr><td>1.2-1.3</td><td>2</td></tr></tbody></table></div>		Ratio	Frequency	0.6-0.7	1	0.7-0.8	1	0.8-0.9	5	0.9-1.0	11	1.0-1.1	21	1.1-1.2	13	1.2-1.3	2
Ratio	Frequency																		
0.6-0.7	1																		
0.7-0.8	1																		
0.8-0.9	5																		
0.9-1.0	11																		
1.0-1.1	21																		
1.1-1.2	13																		
1.2-1.3	2																		
Sample size (n)	54																		
Mean Assessed Value	2,630,800																		
Mean Sales Price	2,768,600																		
Standard Deviation AV	3,863,369																		
Standard Deviation SP	3,832,878																		
ASSESSMENT LEVEL																			
Arithmetic mean ratio	0.926																		
Median Ratio	0.952																		
Weighted Mean Ratio	0.950																		
UNIFORMITY																			
Lowest ratio	0.5113																		
Highest ratio:	1.1092																		
Coefficient of Dispersion	9.19%																		
Standard Deviation	0.1178																		
Coefficient of Variation	12.72%																		
Price-related Differential	0.97																		
RELIABILITY																			
95% Confidence: Median																			
Lower limit	0.912																		
Upper limit	0.983																		
95% Confidence: Mean																			
Lower limit	0.894																		
Upper limit	0.957																		
SAMPLE SIZE EVALUATION																			
<i>N (population size)</i>	1360																		
<i>B (acceptable error - in decimal)</i>	0.05																		
<i>S (estimated from this sample)</i>	0.1178																		
Recommended minimum:	22																		
<i>Actual sample size:</i>	54																		
Conclusion:	OK																		
NORMALITY																			
Binomial Test																			
<i># ratios below mean:</i>	21																		
<i># ratios above mean:</i>	33																		
<i>z:</i>	1.496910398																		
Conclusion:	Normal*																		
*i.e., no evidence of non-normality																			

Area 090
2008 Assessment Year
Ratio of Sales to 2008 AV

Quadrant/Crew: East Crew	Lien Date: 1/1/2008	Date: 4/10/2008	Sales Dates: 1/5/05 - 10/17/07
Area 90	Appr ID: EPRE	Prop Type: Improvement	Trend used?: Y / N N
SAMPLE STATISTICS		<div><p>Ratio Frequency</p></div>	
Sample size (n)	54		
Mean Assessed Value	2,784,300		
Mean Sales Price	2,768,600		
Standard Deviation AV	4,001,623		
Standard Deviation SP	3,832,878		
ASSESSMENT LEVEL			
Arithmetic mean ratio	0.986		
Median Ratio	0.991		
Weighted Mean Ratio	1.006		
UNIFORMITY		<div><p>These figures reflect measurments <u>after</u> posting values.</p></div>	
Lowest ratio	0.7618		
Highest ratio:	1.1718		
Coeffient of Dispersion	7.42%		
Standard Deviation	0.0967		
Coefficient of Variation	9.81%		
Price-related Differential	0.98		
RELIABILITY			
95% Confidence: Median			
Lower limit	0.970		
Upper limit	1.011		
95% Confidence: Mean			
Lower limit	0.960		
Upper limit	1.012		
SAMPLE SIZE EVALUATION			
N (population size)	1360		
B (acceptable error - in decimal)	0.05		
S (estimated from this sample)	0.0967		
Recommended minimum:	15		
Actual sample size:	54		
Conclusion:	OK		
NORMALITY			
Binomial Test			
# ratios below mean:	26		
# ratios above mean:	28		
z:	0.136082763		
Conclusion:	Normal*		
*i.e., no evidence of non-normality			

Improvement Sales for Area 090 with Sales Used

04/14/2008

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code
090	055	012505	9122	15,410	2170928	\$2,500,000	11/22/05	\$162.23	OFFICE - AVONDALE PLACE	BP	1	Y
090	050	012505	9154	3,354	2125307	\$960,000	05/22/05	\$286.23	QUIN'S AUTO REPAIR	GC	1	Y
090	050	022505	9103	7,467	2095039	\$1,600,000	01/05/05	\$214.28	OFFICE - REDMOND GENERAL INSURAN	CC4	1	Y
090	015	032605	9033	16,320	2206279	\$1,150,000	05/10/06	\$70.47	WAREHOUSE	I	1	Y
090	015	032605	9091	12,950	2134608	\$1,500,000	06/28/05	\$115.83	WAREHOUSE	I	1	Y
090	015	032605	9104	12,000	2281793	\$1,785,000	04/27/07	\$148.75	WAREHOUSE	I	1	Y
090	015	032605	9104	12,000	2202993	\$1,310,000	04/26/06	\$109.17	WAREHOUSE	I	1	Y
090	015	032605	9104	12,000	2147371	\$1,190,000	08/11/05	\$99.17	WAREHOUSE	I	1	Y
090	015	032605	9120	20,130	2145915	\$1,625,000	08/10/05	\$80.73	WAREHOUSE - NORTHWOOD IND. PARK	I	1	Y
090	015	032605	9143	9,500	2211617	\$1,401,000	05/30/06	\$147.47	WAREHOUSE	I	1	Y
090	015	032605	9146	45,450	2164048	\$4,200,000	10/24/05	\$92.41	WAREHOUSE - NOBO BUILDING	I	1	Y
090	010	042605	9008	90,661	2181215	\$15,300,000	01/12/06	\$168.76	OFFICE - NORTH CREEK PLACE 1	OP	1	Y
090	015	062660	0020	40,000	2208398	\$3,020,000	05/22/06	\$75.50	WAREHOUSE/STORAGE	GB	1	Y
090	040	082506	9053	9,286	2230527	\$1,900,000	08/17/06	\$204.61	Celebration Presbyterian Church	RA5P	1	Y
090	015	092605	9140	8,233	2307976	\$1,200,000	08/21/07	\$145.75	WAREHOUSE	I	1	Y
090	020	102605	9103	4,121	2174518	\$961,000	11/29/05	\$233.20	OFFICE - VICTORIA SQUARE SUITES	O	1	Y
090	045	112505	9102	15,213	2162836	\$2,950,000	10/19/05	\$193.91	RETAIL - SAMMAMISH LANDING	R30	1	Y
090	050	122505	9019	7,800	2182265	\$2,100,000	01/18/06	\$269.23	OFFICE - HOWE BUILDING	CC1	1	Y
090	050	122505	9030	72,525	2186881	\$21,346,000	02/09/06	\$294.33	RETAIL - CLEVELAND STREET SQUARE	CC1	12	Y
090	050	122505	9078	1,270	2185007	\$680,000	02/01/06	\$535.43	CONVERTED SFR - OFFICE	CC4	1	Y
090	050	122505	9100	14,950	2170637	\$3,990,000	11/18/05	\$266.89	OFFICE - BEAR CREEK PROF CTR	CC3	1	Y
090	055	122505	9101	21,438	2117215	\$1,750,000	04/16/05	\$81.63	WAREHOUSE	MP	1	Y
090	050	122505	9170	2,394	2165629	\$760,000	10/27/05	\$317.46	OFFICE	CC3	1	Y
090	055	131830	0010	9,004	2101308	\$1,285,000	01/20/05	\$142.71	OFFICE - EAST BUILDING	BP	1	Y
090	035	162605	9084	2,500	2220813	\$625,000	07/07/06	\$250.00	OFFICE	NBSO	1	Y
090	015	182240	0030	2,112	2256380	\$400,000	12/18/06	\$189.39	CREEKSIDE PARK CONDOMINIUM	I	1	Y
090	015	182240	0050	3,567	2253352	\$740,000	11/21/06	\$207.46	CREEKSIDE PARK CONDOMINIUM	I	2	Y
090	040	182506	9089	2,980	2284659	\$650,000	05/15/07	\$218.12	Bamboo Gardens of Washington	RA5	1	Y
090	040	192606	9034	864	2198127	\$250,000	03/28/06	\$289.35	Cottage Creek Nursery	RA5P	1	Y
090	015	192730	0005	59,140	2309398	\$12,600,000	09/04/07	\$213.05	ALLSTAR FITNESS CLUB	GB	1	Y
090	050	263920	0010	0	2192459	\$255,000	03/08/06	\$0.00	FRAZER COURT CONDOMINIUM	CC4	2	Y
090	050	263920	0030	0	2196506	\$238,500	03/22/06	\$0.00	FRAZER COURT CONDOMINIUM	CC4	3	Y
090	050	263920	0040	0	2195585	\$206,500	03/27/06	\$0.00	FRAZIER COURT CONDOMINIUM	CC4	2	Y
090	050	263920	0060	0	2226082	\$202,500	07/24/06	\$0.00	FRAZER COURT CONDOMINIUM	CC4	1	Y
090	030	272605	9057	4,280	2251878	\$1,200,000	11/21/06	\$280.37	OFFICE	ISO	1	Y

Improvement Sales for Area 090 with Sales Used

04/14/2008

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code
090	030	272605	9102	6,670	2226671	\$950,000	07/24/06	\$142.43	OFFICE - KATCO BUILDING	ISO	1	Y
090	055	346940	0040	18,172	2286661	\$2,650,000	05/15/07	\$145.83	WAREHOUSE/OFFICE - REDMOND	MP	1	Y
090	035	387646	0050	17,850	2178869	\$3,600,000	12/21/05	\$201.68	RETAIL - KINGSGATE SHOPPING PLAZ	CBSO	2	Y
090	025	571160	0030	14,400	2128257	\$1,020,000	05/27/05	\$70.83	LIGHT INDUSTRIAL	I	1	Y
090	050	660050	0060	13,744	2193698	\$3,400,000	03/20/06	\$247.38	OFFICE - REDMOND PROFESSIONAL BL	CC4	1	Y
090	015	664110	0080	24,380	2271541	\$2,500,000	03/09/07	\$102.54	WAREHOUSE	I	2	Y
090	050	671970	0160	6,860	2207591	\$2,325,000	05/10/06	\$338.92	OFFICE - MAPLE BUILDING	CC6	1	Y
090	050	671970	0320	7,050	2097361	\$1,600,000	01/18/05	\$226.95	OFFICE - BCI BUILDING	CC6	1	Y
090	050	671970	0355	7,020	2151092	\$1,400,000	08/30/05	\$199.43	OFFICE - HARBOR CITY BLDG	CC6	2	Y
090	050	719880	0060	1,560	2206608	\$450,000	05/12/06	\$288.46	RETAIL	CC1	1	Y
090	050	719880	0111	1,821	2110148	\$500,000	03/21/05	\$274.57	RETAIL	CC1	1	Y
090	050	719890	0050	73,695	2124246	\$10,600,000	05/20/05	\$143.84	OFFICE - OPPORTUNITY BLDG	CC4	1	Y
090	050	719890	0350	7,496	2165190	\$1,950,000	10/17/05	\$260.14	OFFICE	CC4	1	Y
090	045	720170	0053	9,200	2182269	\$1,025,000	01/19/06	\$111.41	WAREHOUSE	MP	1	Y
090	050	720220	0080	6,750	2316037	\$1,950,000	10/17/07	\$288.89	OFFICE - REDMOND OFFICE CENTER	CC4	1	Y
090	040	720239	0030	17,800	2174939	\$5,775,000	12/12/05	\$324.44	Redmond Ridge Retail Bldg C	URPSO	1	Y
090	050	779220	0035	1,844	2099606	\$390,000	01/31/05	\$211.50	RETAIL - TOWN SHOE REPAIR	CC1	1	Y
090	050	779220	0040	4,186	2231648	\$700,000	08/23/06	\$167.22	RETAIL - ALPINE HUT	CC1	1	Y
090	050	779220	0050	7,885	2210954	\$1,665,000	05/26/06	\$211.16	RETAIL	CC1	1	Y
090	045	943050	0071	11,845	2120884	\$1,850,000	04/25/05	\$156.18	WAREHOUSE/OFFICE - CORTAN BLDG	MP	1	Y
090	045	943050	0073	28,136	2152312	\$2,500,000	08/30/05	\$88.85	WAREHOUSE - BEST PLASTICS	MP	1	Y
090	020	951710	0175	17,750	2119883	\$4,500,000	04/27/05	\$253.52	RETAIL - WOODINVILLE WEST CENTER	CBD	1	Y
090	020	951810	0195	5,939	2098791	\$1,225,000	01/20/05	\$206.26	SHANNON BUILDING	CBD	5	Y
090	015	956075	0070	31,537	2187741	\$3,450,000	02/10/06	\$109.40	WAREHOUSE	I	1	Y

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks	
090	040	012605	9054	1,800	2229698	\$425,000	08/14/06	\$236.11	Mt. View Greenhouses	R-1	1	15	No market exposure	
090	050	022505	9103	6,375	2112976	\$8,667	03/21/05	\$1.36	KEENEY'S OFFICE PRODUCTS	CC4	1	16	Government agency	
090	040	062506	9076	10,348	2153083	\$1,200,000	09/06/05	\$115.96	Bear Creek School	RA5	1	13	Bankruptcy - receiver or trustee	
090	060	067310	0073	3,360	2143757	\$1,250,000	07/26/05	\$372.02	CHURCH OF SCIENTOLOGY	RC	1	17	Non-profit organization	
090	015	092605	9035	100,097	2290168	\$112,000,000	06/01/07	\$1,118.91	WOODINVILLE CORPORATE CTR	I	8	15	No market exposure	
090	050	112505	9040	5,946	2274869	\$5,313,250	03/29/07	\$893.58	TONY ROMA'S	CC3	1	15	No market exposure	
090	050	112505	9040	5,946	2294065	\$15,337,700	06/27/07	\$2,579.50	TONY ROMA'S	CC3	2	15	No market exposure	
090	050	112505	9073	1,530	2122335	\$1,400,000	05/09/05	\$915.03	WORKSHOP TAVERN	CC1	1	16	Government agency	
090	050	122505	9027	5,315	2314740	\$1,900,000	10/04/07	\$357.48	RETAIL	CC1	1	12	Estate administrator, guardian, or e	
090	050	122505	9070	1,092	2170425	\$695,000	11/02/05	\$636.45	RETAIL	CC1	1	15	No market exposure	
090	050	122505	9100	14,950	2094538	\$156,000	01/03/05	\$10.43	BEAR CREEK PROF CTR	CC3	1	18	Quit claim deed	
090	065	124190	0014	2,501	2218527	\$550,000	06/20/06	\$219.91	7-11 STORE	BCX	1	33	Lease or lease-hold	
090	055	131830	0173	2,733	2291015	\$350,000	06/01/07	\$128.06	CLASSIC CLEANERS	GC	1	16	Government agency	
090	015	182240	0015	6,371	2128776	\$825,000	05/25/05	\$129.49	CREEKSIDE PARK CONDO	I	1	15	No market exposure	
090	040	192606	9034	0	2197904	\$242,000	03/23/06	\$0.00	Cottage Creek Nursery	RA5P	1	24	Easement or right-of-way	
090	035	202605	9067	3,991	2337853	\$1,550,000	12/21/07	\$388.37	LK WASH CHRISTIAN CHURCH	R6	1	16	Government agency	
090	060	206350	0060	11,500	2265958	\$75,750,000	02/16/07	\$6,586.96	LINE RETAIL	RC	8	15	No market exposure	
090	035	212605	9195	2,592	2180209	\$850,000	01/03/06	\$327.93	OFFICE BUILDING	CBSO	1	15	No market exposure	
090	055	221295	0062	4,600	2128723	\$1,275,000	06/06/05	\$277.17	WAREHOUSE/OFFICE - CRAIG BLDG	MP	1	46	Non-representative sale	
090	050	263920	0050	0	2307908	\$125,500	08/22/07	\$0.00	FRAZER COURT	CC4	1	15	No market exposure	
090	050	263920	0060	0	2309843	\$313,750	08/28/07	\$0.00	FRAZER COURT	CC4	1	15	No market exposure	
090	050	263920	0070	0	2307897	\$188,250	08/22/07	\$0.00	FRAZER COURT	CC4	1	15	No market exposure	
090	050	263920	0090	0	2281591	\$300,000	04/04/07	\$0.00	FRAZER COURT	CC4	1	15	No market exposure	
090	055	306610	0043	7,372	2114299	\$450,000	03/31/05	\$61.04	BIG O TIRE & BODY SHOP	GC	1	22	Partial interest (1/3, 1/2, etc.)	
090	050	312606	9005	12,246	2184815	\$14,500,000	02/02/06	\$1,184.06	Multi-Tenant Retail Bldg.	NC	2	22	Partial interest (1/3, 1/2, etc.)	
090	025	571160	0030	14,400	2128254	\$1,200,000	05/27/05	\$83.33	AUTO SERVICE	I	1	20	Correction deed	
090	010	613775	0020	30,752	2261620	\$7,050,000	01/22/07	\$229.25	NORTH CREEK PLAZA - STAPLES	R-AC, O	3	22	Partial interest (1/3, 1/2, etc.)	
090	015	619040	0020	8,366	2296301	\$1,340,000	07/05/07	\$160.17	NORTHSHORE BUILDING CONDO	I	1	11	Corporate affiliates	
090	060	644830	0020	13,385	2301198	\$4,408,460	07/27/07	\$329.36	DAY CARE CENTER	OV	1	15	No market exposure	
090	050	671970	0355	7,020	2151092	\$1,400,000	08/30/05	\$199.43	OFFICE - HARBOR CITY BLDG	CC6	2	8	Questionable per appraisal	
090	050	719880	0063	2,660	2190059	\$1,075,000	02/28/06	\$404.14	EASTSIDE MATTRESS CO	CC1	2	15	No market exposure	
090	050	719890	0300	4,900	2099544	\$150,000	01/25/05	\$30.61	RESTURANT	CC3	1	18	Quit claim deed	
090	050	719890	0300	4,900	2284875	\$3,900,000	05/16/07	\$795.92	RESTAURANT	CC3	1	15	No market exposure	
090	045	720170	0052	8,520	2151745	\$300,000	08/25/05	\$35.21	UCO CORP	MP	1	11	Corporate affiliates	
090	055	720240	0030	77,840	2196484	\$23,000,000	03/31/06	\$295.48	MERVYN'S	GDD(1)	1	15	No market exposure	
090	020	726910	0036	1,624	2178548	\$565,732	12/21/05	\$348.36	UNION 76 SERVICE STATION	CBD	1	11	Corporate affiliates	
090	015	726910	0051	4,320	2100673	\$350,000	02/03/05	\$81.02	PILCHOCK	I	2	18	Quit claim deed	
090	050	779220	0010	3,785	2314960	\$1,300,000	10/11/07	\$343.46	WAREHOUSE-OFFICE	CC1	1	15	No market exposure	
090	050	779220	0060	5,422	2290876	\$495,124	05/16/07	\$91.32	PUTNAM BLDG	CC1	1	15	No market exposure	
090	050	779240	0030	9,200	2144167	\$8,840	07/25/05	\$0.96	THRIFT SHOP	CC1	1	18	Quit claim deed	
090	050	779240	0030	9,200	2144166	\$34,000	07/25/05	\$3.70	THRIFT SHOP	CC1	1	18	Quit claim deed	
090	050	779290	0270	1,920	2226732	\$850,000	07/25/06	\$442.71	SFR	CC6	2	16	Government agency	

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks	
090	015	951710	0266	15,720	2290461	\$1,353,750	05/30/07	\$86.12	CHECK RIDE DRIVING SCHOOL	GB	1	11	Corporate affiliates	
090	020	951760	0010	38,004	2227818	\$1,605,908	07/12/06	\$42.26	WOODINVILLE PLAZA - ALBERTSON'S	CBD	1	11	Corporate affiliates	
090	015	956075	0030	41,806	2109820	\$1,523,000	03/17/05	\$36.43	MODULAR OFFICE DESIGN INC	I	1	22	Partial interest (1/3, 1/2, etc.)	
090	015	956075	0110	20,440	2192785	\$85,000	02/18/06	\$4.16	WOODINVILLE BUSINESS PARK	I	1	24	Easement or right-of-way	