

Capitol Hill

Area: 013

Residential Revalue for 2017 Assessment Roll



King County

Department of Assessments

Setting values, serving the community, and pursuing excellence

500 Fourth Avenue, ADM-AS 0708

Seattle, WA 98104-2384

OFFICE (206) 296-7300 FAX (206) 296-0595

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



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John Wilson
Assessor

Dear Property Owners:

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

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

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

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

In Service,

John Wilson
King County Assessor



How Property Is Valued

King County along with Washington's 38 other counties use mass appraisal techniques to value all real property each year for property assessment purposes.

What Are Mass Appraisal Techniques?

In King County the Mass Appraisal process incorporates statistical testing, generally accepted valuation methods, and a set of property characteristics for approximately 700,000 residential, commercial and industrial properties. More specifically for residential property, we break up King County into 86 residential market areas and annually develop market models from the sale properties using multiple regression statistical tools. The results of the market models are then applied to all similarly situated homes within the same appraisal area.

Are Properties Inspected?

All property in King County is physically inspected at least once during each six year cycle. Each year our appraisers inspect a different geographic area. An inspection is frequently an external observation of the property to confirm whether the property has changed by adding new improvements or shows signs of deterioration more than normal for the property's age. From the property inspections we update our property assessment records for each property. In cases where an appraiser has a question, they will approach the residence front door to make contact with the property owner or leave a card requesting the taxpayer contact them.

RCW 84.40.025 - Access to property

For the purpose of assessment and valuation of all taxable property in each county, any real or personal property in each county shall be subject to visitation, investigation, examination, discovery, and listing at any reasonable time by the county assessor of the county or by any employee thereof designated for this purpose by the assessor.

In any case of refusal to such access, the assessor shall request assistance from the department of revenue which may invoke the power granted by chapter [84.08](#) RCW.

How are Property Sales Used?

For the annual revaluation of residential properties, three years of sales are analyzed with the sales prices time adjusted to January 1 of the current assessment year. Sales prices are adjusted for time to reflect that market prices change over time. During an increasing market, older sales prices often understate the current market value. Conversely, during downward (or recessionary) markets, older sales prices may overstate a property's value on January 1 of the assessment year unless sales are time adjusted. Hence time adjustments are an important element in the valuation process.

How is Assessment Uniformity Achieved?

We have adopted the Property Assessment Standards prescribed by the International Association of Assessing Officers that may be reviewed at www.IAAO.org. As part of our valuation process statistical testing is performed by reviewing the uniformity of assessments within each specific market area, property type, and quality grade or residence age. More specifically Coefficients of Dispersion (aka COD) are developed that show the uniformity of predicted property assessments. We have set our target CODs using the standards set by IAAO which are summarized in the following table:



Type of property—General	Type of property—Specific	COD Range**
Single-family residential (including residential condominiums)	Newer or more homogeneous areas	5.0 to 10.0
Single-family residential	Older or more heterogeneous areas	5.0 to 15.0
Other residential	Rural, seasonal, recreational, manufactured housing, 2–4 unit family housing	5.0 to 20.0
Income-producing properties	Larger areas represented by large samples	5.0 to 15.0
Income-producing properties	Smaller areas represented by smaller samples	5.0 to 20.0
Vacant land		5.0 to 25.0
Other real and personal property		Varies with local conditions

Source: IAAO, *Standard on Ratio Studies*, Table 1-3

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

Requirements of State Law

Washington property is required to be revalued each year to market value based on its highest and best use. (RCW 84.41.030; 84.40.030; and WAC 458-07-030). Washington Courts have interpreted fair market value as the amount of money a buyer, willing but not obligated to buy, would pay to a seller willing but not obligated to sell. Highest and Best Use is simply viewed as the most profitable use that a property can be legally used for. In cases where a property is underutilized by a property owner, it still must be valued at its highest and best use.

Appraisal Area Reports

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



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Department of Assessments

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

John Wilson
Assessor

Capitol Hill – 013

2017

Recommendation is made to post values for Area 013 to the 2017 tax roll:

Appraiser II: KAND

6/22/2017

Date

West Central District Senior Appraiser: Bob Kaldor

6/27/2017

Date

Residential Division Director: Debra S. Prins

6/27/17

Date

This report is hereby accepted and the values described in the attached documentation for Area 013 should be posted to the Assessment Roll Year tax roll.

John Wilson, King County Assessor

6/29/17

Date



Executive Summary

Capitol Hill - Area 013

Physical Inspection

Appraisal Date: 1/1/2017
Previous Physical Inspection: 2011
Number of Improved Sales: 509
Range of Sale Dates: 1/1/2014 – 12/31/2016 Sales were time adjusted to 1/1/2017

Sales - Improved Valuation Change Summary:						
	Land	Improvements	Total	Mean Sale Price	Ratio	COD
2016 Value	\$460,400	\$577,100	\$1,037,500			11.68%
2017 Value	\$530,000	\$599,600	\$1,129,600	\$1,236,600	92.4%	9.18%
\$ Change	+\$69,600	+\$22,500	+\$92,100			
% Change	+15.1%	+3.9%	+8.9%			

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2017 COD of 9.18% is an improvement from the previous COD of 11.68%. The lower the COD, the more uniform are the predicted assessed values. Assessment standards prescribed by the International Association of Assessing Officers identify that the COD in rural or diverse neighborhoods should be no more than 20%. The resulting COD meets or exceeds the industry assessment standards. Sales from 1/1/2014 to 12/31/2016 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2017

Population - Improved Valuation Change Summary:			
	Land	Improvements	Total
2016 Value	\$508,200	\$571,100	\$1,079,300
2017 Value	\$590,000	\$535,600	\$1,125,600
\$ Change	+\$81,800	-\$35,500	+\$46,300
% Change	+16.1%	-6.2%	+4.3%

Number of one to three unit residences in the population: 4,078

Physical Inspection Area:

State law requires that each property be physically inspected at least once during a 6 year revaluation cycle. During the recent inspection of Area 013 – Capitol Hill, appraisers were in the area, confirming data characteristics, developing new valuation models and selecting a new value for each property for the assessment year. For each of the subsequent years, the previous property values are statistically adjusted during each assessment period. Taxes are paid on total value, not on the separate amounts allocated to land and improvements.

The current physical inspection analysis for Area 013 indicated a substantial change was needed in the allocation of the land and improvement value as part of the total. Land is valued as though vacant and at its highest and best use. The improvement value is a residual remaining when land is subtracted from total value.

Area 013 Physical Inspection Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

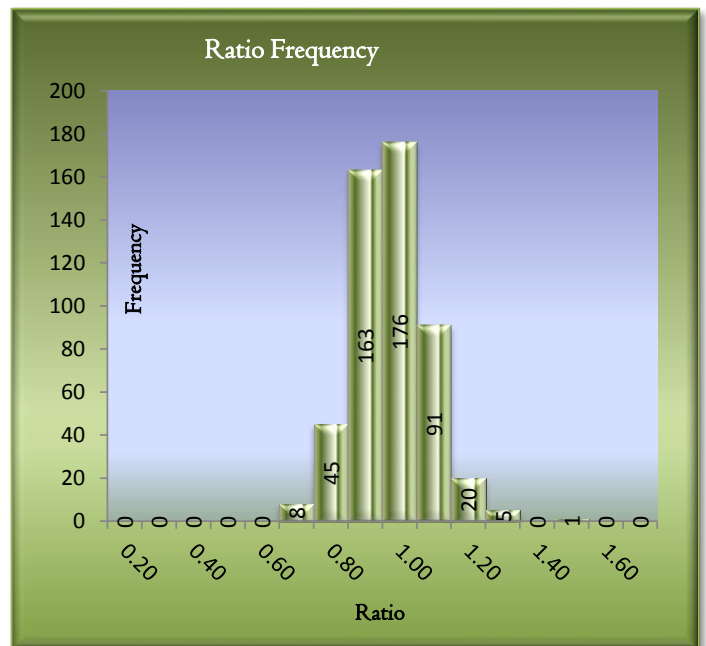
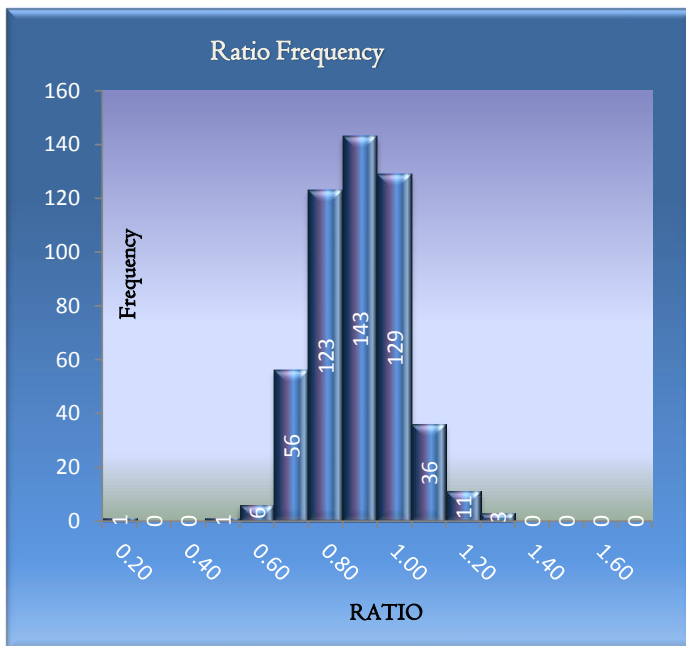
Pre-revalue ratio analysis compares time adjusted sales from 2014 through 2016 in relation to the previous assessed value as of 1/1/2016.

PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	509
Mean Assessed Value	1,037,500
Mean Adj. Sales Price	1,236,600
Standard Deviation AV	462,726
Standard Deviation SP	544,199
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.848
Median Ratio	0.850
Weighted Mean Ratio	0.839
UNIFORMITY	
Lowest ratio	0.155
Highest ratio:	1.274
Coefficient of Dispersion	11.68%
Standard Deviation	0.126
Coefficient of Variation	14.83%
Price Related Differential (PRD)	1.011

POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares time adjusted sales from 2014 through 2016 and reflects the assessment level after the property has been revalued to 1/1/2017.

POST REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	509
Mean Assessed Value	1,129,600
Mean Sales Price	1,236,600
Standard Deviation AV	475,589
Standard Deviation SP	544,199
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.926
Median Ratio	0.924
Weighted Mean Ratio	0.913
UNIFORMITY	
Lowest ratio	0.610
Highest ratio:	1.403
Coefficient of Dispersion	9.18%
Standard Deviation	0.109
Coefficient of Variation	11.80%
Price Related Differential (PRD)	1.013



Area 013 Map



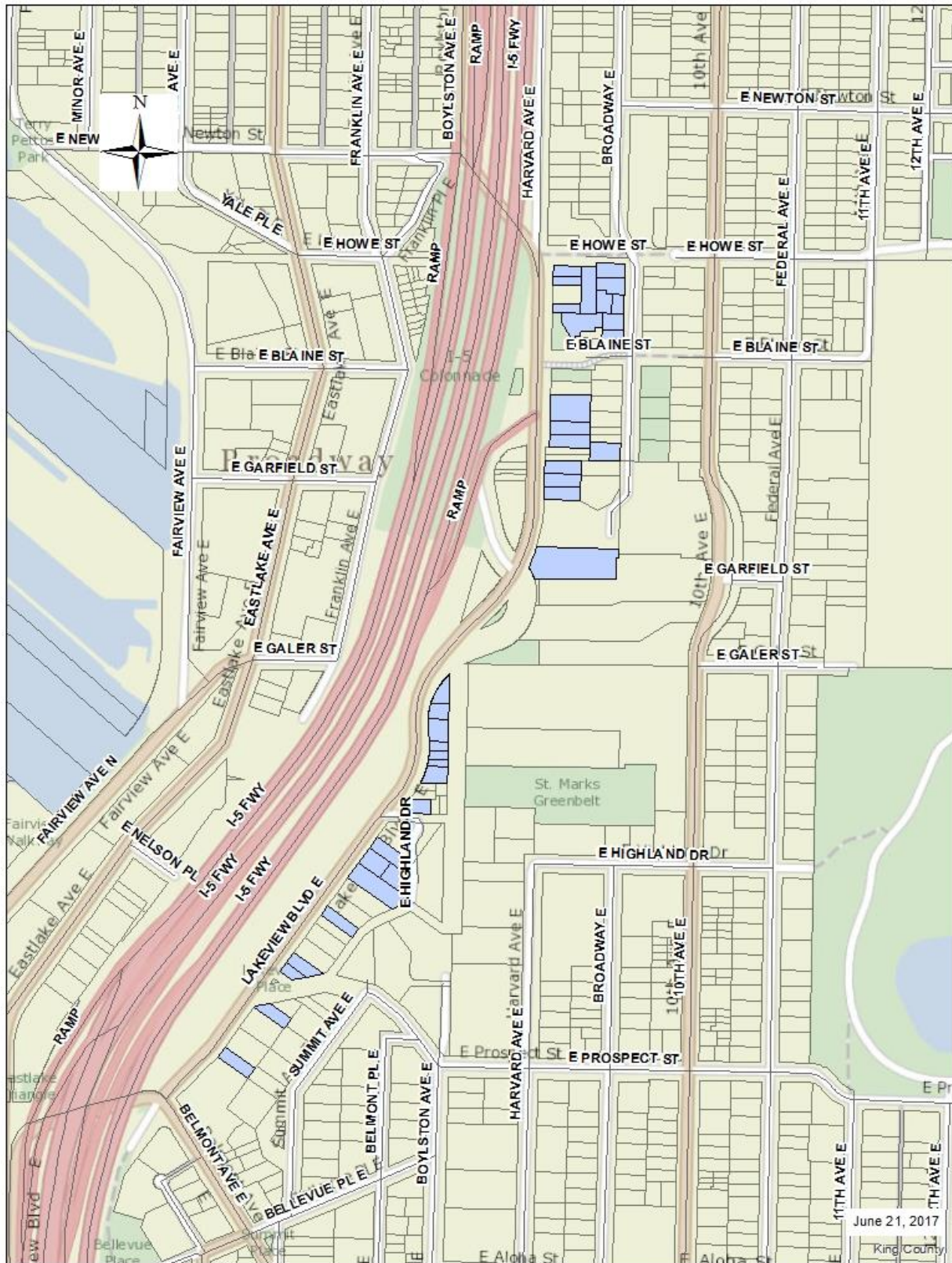
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Neighborhood Map



Area 013 Micro Neighborhood Map



Area Information

Name or Designation

Area 013 – Capitol Hill

Boundaries

Portage Bay and the Montlake Cut to the north, the Arboretum to the east, Roy Street and Madison Street to the south and I-5 to the west.

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 013 / Capitol Hill is located just northeast of Seattle's Central Business District and was among the first areas developed in Seattle. The wide variety of housing stock on Capitol Hill ranges from turn of the century mansions and more modest bungalow style dwellings, to new modern single family dwellings and townhouse plats. Capitol Hill contains some of Seattle's oldest, most intact groupings of high end, 20th century dwellings, particularly along 14th Avenue E. just south of the Volunteer Park entrance as well as a number of dwellings in the Harvard-Belmont Landmark District.

Capitol Hill is a densely populated urban neighborhood, with easy access to public transportation and numerous shops, restaurants, bars, and cultural venues. Due to its urban density it is a very walkable neighborhood. Additionally, the recent completion of the Capitol Hill light rail station, which opened in 2016, as well as the bus transit service to, and within the neighborhood, link Capitol Hill with Seattle's downtown business core as well as providing easy access to goods and services within the Capitol Hill community. Approximately 97% of the parcels in this area are improved and a majority portion of the remaining undeveloped land would be considered unbuildable. New construction typically follows a teardown of an existing improvement.

The housing stock in this area is mostly single family (approximately 92%) with the remainder being multi-family duplex and triplex residences (4%) and townhouse units (4%). Approximately 75% of the homes were built prior to 1935, with the vast majority of homes being of grade 8 and grade 9 quality, with lot sizes 5000 square feet or less. Townhouses are typically grade 8 or 9 quality and most were built in the last 10 years. Of the improved parcels approximately 93% of the zoning is SF5000 (single family). The remaining 3% is mostly L1, L2, and L3 (multi-family) zoning, and is located primarily around the perimeter of Area 13.

Area Information... Continued

Area 013 consists of three Sub Areas – Sub Areas 3, 4 and 5.

Sub Area 3 is located in the southwest portion of Area 013 along I-5 and includes the Harvard-Belmont district and the area around Volunteer Park and Federal Avenue. It is the largest sub-area, and is most closely associated with the urban core of Capitol Hill. This area has easy access to public transportation as well as to Interstate-5 for north/south destinations and to State Route 520 to access the east side.

Sub Area 4 is the smallest sub area and is located just north of E Madison Street and along the west side of the Arboretum. It has relatively easy access to public transportation and the downtown business district via E Madison Street.

Sub Area 5 is located in the north portion of Area 13, and includes the Montlake neighborhood, and the area's waterfront properties along Portage Bay and the Montlake Cut. The east side of this neighborhood is adjacent to the Arboretum. This sub-area is within close proximity to the south Lake Union business district where there are a number of large employers including Amazon, and numerous bio-tech companies. It has easy access to the University of Washington via the University Bridge and Montlake Boulevard, as well as easy access to Interstate-5 and State Route 520.

Land Valuation

Vacant sales from 1/1/2014 to 12/31/2016 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2017. Area 013 contains 4,459 parcels of which approximately 3% are vacant. Location, views, zoning, topography, lot size and traffic are primary influences to land values. There were a limited number of vacant parcel sales in Area 13 during the last three years. Available land sales were limited to 19 sales. Of these, 2 were true vacant sales, both were single family zoned. The Sales Comparison approach was utilized to determine land value which was supplemented by the analysis of allocated land values from improved properties. Tear down sales were also analyzed as supporting evidence, as this is the primary source for new construction sites in the area. There were 17 teardown sales, 11 SF zoned and 6 non-Single Family zoned.

Area 013 has been identified to have nine neighborhoods. While these neighborhoods tend to be distinct, there is no clear boundary between them; rather gradual differences that increase with distance. These areas have been assigned neighborhood codes primarily as a means of identifying the different land values with the area. The attached neighborhood map indicates the identified neighborhoods.

Neighborhood 10 is located on the southwest corner of Area 13. This includes the Harvard-Belmont landmark district and some of Seattle's premier historic dwellings. Of the 115 parcels in this neighborhood approximately 64% of the parcels are Single Family zoned. Homes are typically Grade 8's and Grade 9's. Of the parcels in this neighborhood 23% are grade 11 and higher. The average time adjusted sales price in this neighborhood is \$2,593,000. There were two land sales in this neighborhood with an average sales price of \$852,000.

Neighborhood 20 is located on the east side of Volunteer Park and directly west of neighborhood 60. This is a fairly homogenous neighborhood and the 777 parcels are almost exclusively single family zoning. Homes in this neighborhood are typically Grade 8's, 9's and 10's. There are also a number (7%) of Grade 11 and higher represented. The average time adjusted sales price in this neighborhood is \$1,758,000.

Neighborhood 30 is located directly south of Volunteer Park, and is comprised mostly of high grade dwellings. Of the 163 parcels in this neighborhood approximately 87% are single family zoned. This is considered the most desirable neighborhood with homes generally in the Grade 9 and 10's, together with a significant number of higher grades up to Grade 13's. There are a number of older mansions, and many of these homes were among the first built on Capitol Hill. Of the improved parcels only 18% are grades 7 or 8, and the remaining 82% are grade 9 and higher, 6% are grades 12 and 13. The average time adjusted sales price in this neighborhood is \$1,684,000. There was one land sale in this neighborhood with a sales price of \$970,000.

Neighborhood 40 is directly west of Volunteer Park and includes Federal Avenue. It is made up almost exclusively of single family zoned parcels. Of the 90 parcels in this neighborhood most of the dwellings are grade 9 and 10's. The average time adjusted sales price in this neighborhood is \$2,291,000.

Land Valuation

Neighborhood 50 is located on the west side of Capitol Hill along Interstate 5. Many of the parcels have view amenities, including Seattle Skyline, Lake Washington, and Small Lake River (Lake Union) views, and approximately 42% are impacted by traffic noise. Approximately 28% of the 848 parcels in this neighborhood are multi-family zoned. The housing stock is comprised mostly of grade 8's and 9's, and approximately 7% are townhouses. The average time adjusted sales price in this neighborhood is \$1,260,000. There were four land sales in this neighborhood with an average sales price of \$970,000..

Neighborhood 60 is the neighborhood comprised of the most modest grade dwellings. Most of the dwellings in this neighborhood are Grade 7 and 8's. There have been a number of tear downs in this area with new townhouse or single family modern dwellings recently constructed. 92% of the 834 parcels in this neighborhood are single family zoned, but there are a number of townhouse plats along E Madison Street in the south portion of the neighborhood. The average time adjusted sales price in this neighborhood is \$989,000. This neighborhood had ten land sales with an average sales price of \$562,000.

Neighborhood 70 is generally located directly west of the north portion of the Arboretum and directly south of State Route 520. This area includes the Montlake neighborhood. Approximately 98% of the 1093 parcels in this neighborhood are Single Family zoned. Homes in this neighborhood are typically Grade 7's, 8's and 9's, with some higher grades up to Grade 12's represented. The neighborhood includes 4 waterfront parcels. Approximately 34% of parcels are impacted by traffic noise. The average time adjusted sales price in this neighborhood is \$1,045,000. This neighborhood had only one land sale, a good portion of which is adversely impacted by steep topography. It had a sales price of \$250,000.

Neighborhood 80 is located in the northwest corner of Area 13. It includes 368 parcels, 90% of which are single family zoned. Most of the dwellings are grade 8's and 9's, and 75% are impacted by traffic noise. This neighborhood includes 22 waterfront parcels. The average time adjusted sales price in this neighborhood is \$1,277,000. This neighborhood had one land sale with a sales price of \$425,000.

Neighborhood 90 is located in the northeast portion of Area 13 directly south, across the Montlake Cut, of the University of Washington. This area has easy access to SR-520, I-5 and the university via Montlake Boulevard E. There are 118 parcels in this neighborhood, all of which are single family zoned. Most of the dwellings are Grade 8's and 9's. The average time adjusted sales price in this neighborhood is \$1,316,000

Land Valuation

Topography Adjustment

All parcels were coded for topography based upon GIS analysis of King County topography contours overlay and city of Seattle overlays. Parcels in which topography was coded were analyzed to determine if an adjustment was needed. Those parcels in which topography has a negative impact on values were adjusted from -10% to -90% (based on sales and appraiser judgment).

Topography issues can cause a reduction in values by either reducing the site's utility or by significantly increasing the costs to develop the parcel into a building site. Where development costs are deemed to be impacted the amount of this cost to cure is expressed as a percentage of base land value and is shown in the 'percent base land value' impact field (%BLV) of Real Property. For improved parcels falling into the latter situation the costs of development have been reflected in the improvement value. This adjustment considers that after an improvement has been placed on a parcel, the cost to cure for topography has been realized as additional building costs and is best reflected in the improved value. The amount of extra construction cost has been shifted from the land to the improvement.

In all cases, appraiser judgement was used in selecting the land value for each parcel.

Land Model

Model Development, Description and Conclusions

19 vacant land sales from Area 013 were used to derive land value. Data on lot size, location, topography, access, utilities, views and waterfront were considered while developing the land model. The Sales Comparison approach was utilized to determine land values and adjustments for land characteristics. Additional adjustments to all sites were applied for positive attributes such as views and negative adjustments for traffic nuisance and topography. See Land Model Calibration page for adjustment detail. These adjustments are based on analyzing matched vacant and improved sales combined with years of appraisal experience and knowledge of the area.

Land Table- Single Family Zoning

Land value was determined from available data of vacant and adjusted tear down sales together with adjustments for neighborhood influences. Neighborhood adjustments were determined by examining land sales and was supplemented by the analysis of allocated land values from improved properties. Adjustments for land characteristics such as views and traffic were made in a similar manner.

Actual lot square footage was rounded down to the next Land Schedule grouping. Thus, a 4,800 SF lot would go to the 4,500 SF level on the table. Parcels smaller than 500 SF and lots larger than the enclosed table were valued as appraiser selects.

A typical 5,000 square foot, non-view, SF 5000 zoned lot has a value of \$505,000 to \$775,000 based on neighborhood.

Land Valuation

Land Table – Non Single Family Zoning

A separate analysis was done for land other than Single Family zoning either vacant or improved with non-townhouse dwellings. This analysis included LR1, LR2, LR3 and various commercial zoned properties where highest and best use, has been determined to be a residential use. This analysis resulted in a land table based upon lot square footage as well as the number of lots available from the site. Adjustments for neighborhood, views and traffic considerations, etc. were done in the same manner as Single Family Zoned properties.

Actual lot square footage was rounded down to the next land schedule grouping. Thus, a 1,698 square foot, non-Single Family zoned lot would go to the 1,600 square foot level on the land table. Parcels outside the land table were valued as appraiser selects.

A typical 2,000 square foot, non-view, L1 zoned lot has a value of \$393,000 to \$603,000 based on neighborhood.

Land Table – Townhouse Plats

Separate analysis was done for townhouse improved properties, and these parcels were equalized, regardless of lot size, within neighborhoods according to the Townhouse Plat Land Schedule.

Adjustments for views and traffic considerations, etc. were done in the same manner as Single Family Zoned properties.

Waterfront

Area 13 had no available vacant waterfront sales but did have 4 improved sales with an average time adjusted sale price of \$1,344,000. Using land allocation and land abstraction methods a land model was developed which is compatible with the uplands land schedule with an adjustment per waterfront foot applied according to neighborhood location. This valuation method resulted in average land value to assessed value ratios of 74%.

Land Value Model Calibration

Single Family Zoning	
Lot Size (Sqft.)	Base Land Value
500	\$285,000
1,000	\$323,000
1,500	\$367,000
2,000	\$408,000
2,500	\$441,000
3,000	\$494,000
3,500	\$532,000
4,000	\$589,000
4,500	\$627,000
5,000	\$674,000
5,500	\$722,000
6,000	\$769,000
7,000	\$817,000
8,000	\$855,000
9,000	\$920,000
10,000	\$1,005,000
11,000	\$1,034,000
12,000	\$1,128,000
13,000	\$1,222,000
14,000	\$1,316,000
15,000	\$1,410,000
16,000	\$1,504,000
17,000	\$1,598,000
18,000	\$1,692,000
19,000	\$1,786,000
20,000	\$1,840,000
21,000	\$1,932,000
22,000	\$2,024,000
23,000	\$2,116,000
24,000	\$2,208,000
25,000	\$2,300,000
26,000	\$2,392,000

The land schedule and adjustments were typically used to value land. First the base land value is calculated from the land schedule. Then the neighborhood adjustment is applied. Then the other negative and positive adjustments are added together for a net adjustment and applied to the neighborhood adjusted value.

Non-SF Zoning		Neighborhood Adjustments	Base Land Value Adjustment
Lot Size (Sqft.)	Base Land Value		
500	\$270,000		
800	\$280,000		
1,000	\$300,000	10	110% of BLV
1,200	\$380,000	20	110% of BLV
1,400	\$410,000	30	115% of BLV
1,600	\$448,000	40	115% of BLV
2,000	\$525,000	50	100% of BLV
2,400	\$600,000	60	75% of BLV
2,800	\$672,000	70	75% of BLV
3,200	\$768,000	80	85% of BLV
3,600	\$864,000	90	80% of BLV
4,000	\$960,000	Townhouse Plat Values by Neighborhood	Base Land Value
4,400	\$1,056,000		
4,800	\$1,152,000		
5,200	\$1,248,000		
5,600	\$1,288,000	10	\$418,000
6,000	\$1,440,000	20	\$418,000
6,400	\$1,536,000	30	\$437,000
6,800	\$1,632,000	40	\$437,000
7,200	\$1,728,000	50	\$380,000
7,600	\$1,824,000	60	\$285,000
8,000	\$1,920,000	70	\$285,000
8,400	\$1,932,000	80	\$323,000
8,800	\$1,980,000	90	\$304,000
9,200	\$2,024,000	Land values are not interpolated	
9,600	\$2,112,000	Waterfront valued from uplands schedule, then per waterfront foot:	
10,000	\$2,200,000	Nghb 70: \$5,000/wff	
10,400	\$2,288,000	Nghb 80: \$7,000/wff	
10,800	\$2,376,000		

Small Lots and Lots with irregular size/shape:

Appraiser judgement may override any land schedule value.

Large Lots-Developable Parcels:

Land value considers the number of potential building sites based on historical examples and discussions with builders and developers. As always, appraiser judgement applies and there may be exceptions to this methodology. These type of parcels are typically handled on an individual basis. Commercial zoned parcels with residential improvements were considered on a case by case basis and valued according to the highest and best use.



Land Value Model Calibration... Continued

Traffic Noise	
Moderate	-10%
High	-20%
Extreme	-30%
Other Nuisances	
Yes	-10%
Unbuildable	
Yes	-75%
Access	
Restricted	-5%
Legal/Undeveloped	-25%
Private	0%
Public	0%
Walk in	-20%
Water Problems	
Yes	-10%
Topography	
Moderate to Extreme (Code 1 through 9)	Negative 10% through negative 90%

Negative Adjustments:

Negative adjustments are cumulative. If a parcel has high traffic noise (-20%) and topography code 3 (-30%), the base land value of the parcel receives a 50% downward adjustment.

Small Lake River (Lake Union, Portage Bay, or Ship Canal)		Territorial View	
Fair	10%	Average	5%
Average	20%	Good	10%
Good	30%	Excellent	15%
Excellent	40%	Lake Washington	
Puget Sound View		Fair	20%
Fair	10%	Average	30%
Average	20%	Good	40%
Good	30%	Excellent	60%
Excellent	40%	Mountain View	
Seattle Skyline View		Average	5%
Average	20%	Good	10%
Good	40%	Excellent	15%
Excellent	60%		

Adjustments:	Waterfront
It should be noted that only the highest view adjustment will be applied to a parcel. If a parcel has an average Territorial view (5%) and a good Small Lake River Creek view (30%) only the highest adjustment will be applied.	Valued using uplands values, then waterfront adjustment applied as follows:
	Nghb 70: \$5,000/wff
	Nghb 80: \$7,000/wff

Adjustments apply to all base land values. However, in all cases appraiser judgement prevailed.

Land Value Calculation Example 1:		Land Value Calculation Example 2:	
Neighborhood: 60	Zoning: SF 5000	Neighborhood: 10	Zoning: LR2
Traffic Noise: High		Traffic Noise: Moderate	
Lot Size: 7,000		Lot Size: 3,600	
View: Good Territorial		Views: Good Terr/Good Small Lake River Creek	
BLV per Land Schedule: \$817,000		BLV per Land Schedule: \$864,000	
Neighborhood Adjustment: -.25		Neighborhood Adjustment: .10	
BLV with Nghb Adj. Applied: \$612,750		BLV with Nghb Adj. Applied: \$950,400	
Traffic Adjustment: -.20		Traffic Adjustment: -.10	
View Adjustment: .10		View Adjustment: .30	
Total Adjustment: -.10		Total Adjustment: .20	
Total Land Value: \$551,000		Total Land Value: \$1,140,000	

Improved Parcel Valuation

Improved Parcel Data:

Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales were verified if possible by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Due to time constraints, interior inspections were limited. Available sales and additional Area information can be viewed on the Assessor's website with [sales lists](#), [eSales](#) and [Localscape](#). Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.

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

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

Model Development, Description and Conclusions:

Most sales were field verified and characteristics updated prior to model development. Sales were time adjusted to 1/1/2017.

Separate analysis was done for Single Family/ Duplex/ Triplex improvements and for Townhouse Plats; resulting in two multiplicative models for the area.

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values. In addition to standard physical property characteristics, the analysis showed these characteristics were influential in the market.

Single Family/ Duplex/ Triplex Model:

- Base Land
- Good Condition
- Very Good Condition
- Year Built/Year Renovate > 2002
- Neighborhood 20
- Neighborhood 40
- Neighborhood 60
- Neighborhood 90
- Moderate Traffic
- High Traffic
- Extreme Traffic

Improved Parcel Valuation... Continued

Townhouse Dwellings:

Base Land

Neighborhood 80

There was a lack of sales of parcels in poor condition, fair condition, high building grades, waterfront parcels, and parcels with multiple improvements. The lack of sales made it impossible to develop specification with the model for these strata. Supplemental models such as cost or market adjusted cost were developed to address parcels outside the parameters of the main valuation formula. Any additional adjustments not covered in supplemental models and exceptions are noted in the notes field of that particular parcel.



Improved Parcel Total Value Model Calibration

Variable	Definition
Sale Day	Time Adjustment
BaseLandC	2017 Adjusted Base Land Value
Combo	Building Cost New and Accy Cost New Less Depreciation
GoodYN	Good Condition
NewImpYN	Year Built/Year Renovate > 2002
Nghb20YN	Neighborhood 20
Nghb40YN	Neighborhood 40
Nghb60YN	Neighborhood 60
Nghb90YN	Neighborhood 90
TrafExtremYN	Extreme Traffic
TrafHighYN	High Traffic
TrafModYN	Moderate Traffic
VGoodYN	Very Good Condition
YrBuiltRenC	Depreciation

Single Family/Duplex/Triplex Multiplicative Model

$(1-0.075) * 2.6724412284188 + 0.152911908820607 * \text{BaseLandC} + 0.610817418066107 * \text{Combo} +$
 $0.0381123304977109 * \text{GoodYN} + 0.0583427544614113 * \text{NewImpYN} + 0.0373068452649623 * \text{Nghb20YN}$
 $+ 0.0675246776561717 * \text{Nghb40YN} - 0.0409591984932265 * \text{Nghb60YN} +$
 $0.0550301752476267 * \text{Nghb90YN} - 0.0899468391713213 * \text{TrafExtremeYN} - 0.0687011264080623 * \text{TrafHighYN}$
 $- 0.033986736238395 * \text{TrafModYN} + 0.0763322319534166 * \text{VGoodYN} -$
 $0.031558322588829 * \text{YrBuiltRenC}$

EMV values were not generated for:

- Buildings with grade less than 4
- Building two or greater. (EMV is generated for building one only.)
- If total EMV is less than base land value
- Lot size less than 100 square feet
- If Baseland value equals "\$0"
- If net condition is greater than "0"

Of the improved parcels in the population, 2966 parcels increased in value. They were comprised of 1 single family residence on commercially zoned land and 2965 single family residences or other parcels.

Of the vacant land parcels greater than \$1000, 77 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

Improved Parcel Total Value Model Calibration...

Continued

Variable	Definition
Sale Day	Time Adjustment
BaseLandC	2017 Adjusted Base Land Value
Neighborhood 80YN	Neighborhood 80
Total RCNLD	Total Cost Less Depreciation

Townhouse Multiplicative Model

$(1-0.075) * 1.01186585616801 + 0.307560546871316 * \text{BaseLandC} - 0.0437794094840882 * \text{Nghb80YN} + 0.734034881050171 * \text{TotalRcnldC}$

EMV values were not generated for:

- Buildings with grade less than 3
- Building two or greater. (EMV is generated for building one only.)
- If total EMV is less than base land value
- Lot size less than 100 square feet
- If Baseland value equals "\$0"
- If Net Condition is greater than "0"

Supplemental Models and Exceptions

Waterfront: Value selects were typically a factor of EMV or Cost. Valuation methods are noted in Real Property.

Accessory Only: New Land + RCNLD, or New Land + Value in Use. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

Fair Condition: Total EMV *.80 or value in use. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

Poor Condition: New Land + RCNLD, or New Land + Value in Use. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

Multiple Improvements: EMV for Imp 1 + RCNLD for each additional Improvement, or Value in Use. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

EMV Less than New Base Land: New Land + Building RCNLD, or New Land + Value in Use. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

Micro Neighborhood: The land value for 36 parcels that front Lakeview Boulevard in Neighborhoods 10 and 50 (see Micro Neighborhood Map page) were equalized to Neighborhood 60 land values, then the total value was calculated, unless otherwise noted in Real Property, using EMV.

Area 013 Market Value Changes Over Time

Single Family/ Duplex/ Triplex Model

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time between a range of sales dates and the assessment date. The following chart shows the % time adjustment required for **Single Family/ Duplex/ Triplex** sales to reflect the indicated market value as of the assessment date, **January 1, 2017**.

For example, a sale of \$475,000 which occurred on October 1, 2015 would be adjusted by the time trend factor of 1.118, resulting in an adjusted value of \$531,000 ($\$475,000 \times 1.118 = \$531,050$) – truncated to the nearest \$1000.

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2014	1.307	30.7%
2/1/2014	1.297	29.7%
3/1/2014	1.288	28.8%
4/1/2014	1.279	27.9%
5/1/2014	1.269	26.9%
6/1/2014	1.260	26.0%
7/1/2014	1.250	25.0%
8/1/2014	1.241	24.1%
9/1/2014	1.232	23.2%
10/1/2014	1.223	22.3%
11/1/2014	1.213	21.3%
12/1/2014	1.205	20.5%
1/1/2015	1.195	19.5%
2/1/2015	1.186	18.6%
3/1/2015	1.178	17.8%
4/1/2015	1.169	16.9%
5/1/2015	1.161	16.1%
6/1/2015	1.152	15.2%
7/1/2015	1.144	14.4%
8/1/2015	1.135	13.5%
9/1/2015	1.127	12.7%
10/1/2015	1.118	11.8%
11/1/2015	1.110	11.0%
12/1/2015	1.102	10.2%
1/1/2016	1.094	9.4%
2/1/2016	1.085	8.5%
3/1/2016	1.078	7.8%
4/1/2016	1.069	6.9%
5/1/2016	1.062	6.2%
6/1/2016	1.054	5.4%
7/1/2016	1.046	4.6%
8/1/2016	1.038	3.8%
9/1/2016	1.030	3.0%
10/1/2016	1.023	2.3%
11/1/2016	1.015	1.5%
12/1/2016	1.008	0.8%
1/1/2017	1.000	0.0%



Area 013 Market Value Changes Over Time

The time adjustment formula for Area 013 Single Family, Duplex, Triplex properties is: $1/EXP(0.000244238892555303 * SaleDay)$

$SaleDay = SaleDate - 42736$

Area 013 Market Value Changes Over Time

Townhouse Model

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time between a range of sales dates and the assessment date. The following chart shows the % time adjustment required for **Townhouse** sales to reflect the indicated market value as of the assessment date, **January 1, 2017**.

For example, a sale of \$475,000 which occurred on October 1, 2015 would be adjusted by the time trend factor of 1.111, resulting in an adjusted value of \$527,000 ($\$475,000 \times 1.111 = \$527,725$) – truncated to the nearest \$1000.

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2014	1.288	28.8%
2/1/2014	1.279	27.9%
3/1/2014	1.270	27.0%
4/1/2014	1.261	26.1%
5/1/2014	1.253	25.3%
6/1/2014	1.244	24.4%
7/1/2014	1.235	23.5%
8/1/2014	1.226	22.6%
9/1/2014	1.218	21.8%
10/1/2014	1.209	20.9%
11/1/2014	1.201	20.1%
12/1/2014	1.192	19.2%
1/1/2015	1.184	18.4%
2/1/2015	1.175	17.5%
3/1/2015	1.168	16.8%
4/1/2015	1.159	15.9%
5/1/2015	1.151	15.1%
6/1/2015	1.143	14.3%
7/1/2015	1.135	13.5%
8/1/2015	1.127	12.7%
9/1/2015	1.119	11.9%
10/1/2015	1.111	11.1%
11/1/2015	1.104	10.4%
12/1/2015	1.096	9.6%
1/1/2016	1.088	8.8%
2/1/2016	1.080	8.0%
3/1/2016	1.073	7.3%
4/1/2016	1.066	6.6%
5/1/2016	1.058	5.8%
6/1/2016	1.051	5.1%
7/1/2016	1.043	4.3%
8/1/2016	1.036	3.6%
9/1/2016	1.029	2.9%
10/1/2016	1.021	2.1%
11/1/2016	1.014	1.4%
12/1/2016	1.007	0.7%
1/1/2017	1.000	0.0%

Area 013 Market Value Changes Over Time

The time adjustment formula for Area 013 Townhouse Parcels is: $1/EXP(0.000230748922277387 * SaleDay)$
 $SaleDay = SaleDate - 42736$

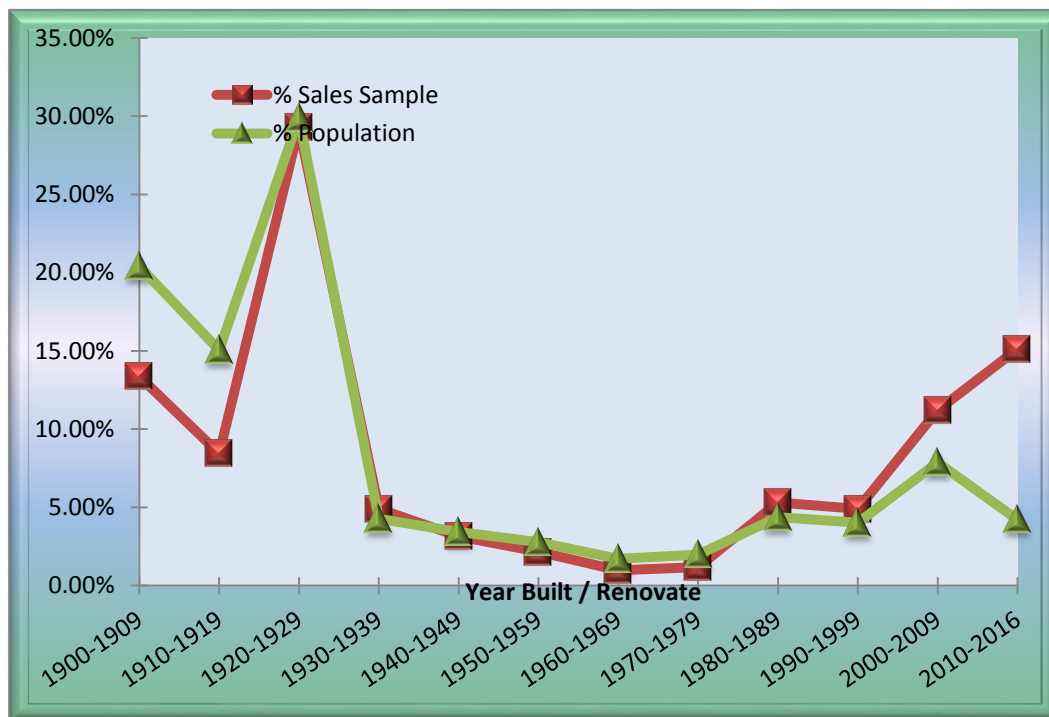
Sales Sample Representation of Population Year Built or Renovated

Sales

Year Built/Ren	Frequenc y	% Sales Sample
1900-1909	68	13.36%
1910-1919	43	8.45%
1920-1929	149	29.27%
1930-1939	25	4.91%
1940-1949	16	3.14%
1950-1959	11	2.16%
1960-1969	5	0.98%
1970-1979	6	1.18%
1980-1989	27	5.30%
1990-1999	25	4.91%
2000-2009	57	11.20%
2010-2016	77	15.13%
	509	

Population

Year Built/Ren	Frequenc y	% Population
1900-1909	832	20.40%
1910-1919	614	15.06%
1920-1929	1,219	29.89%
1930-1939	174	4.27%
1940-1949	140	3.43%
1950-1959	113	2.77%
1960-1969	70	1.72%
1970-1979	81	1.99%
1980-1989	178	4.36%
1990-1999	164	4.02%
2000-2009	321	7.87%
2010-2016	172	4.22%
	4,078	



Sales of new homes built over the last few years are over represented in this sample.

This is a common occurrence due to the fact that most new homes will sell shortly after completion. This over representation was found to have statistical significance and results are reflected in the model.



Sales Sample Representation of Population

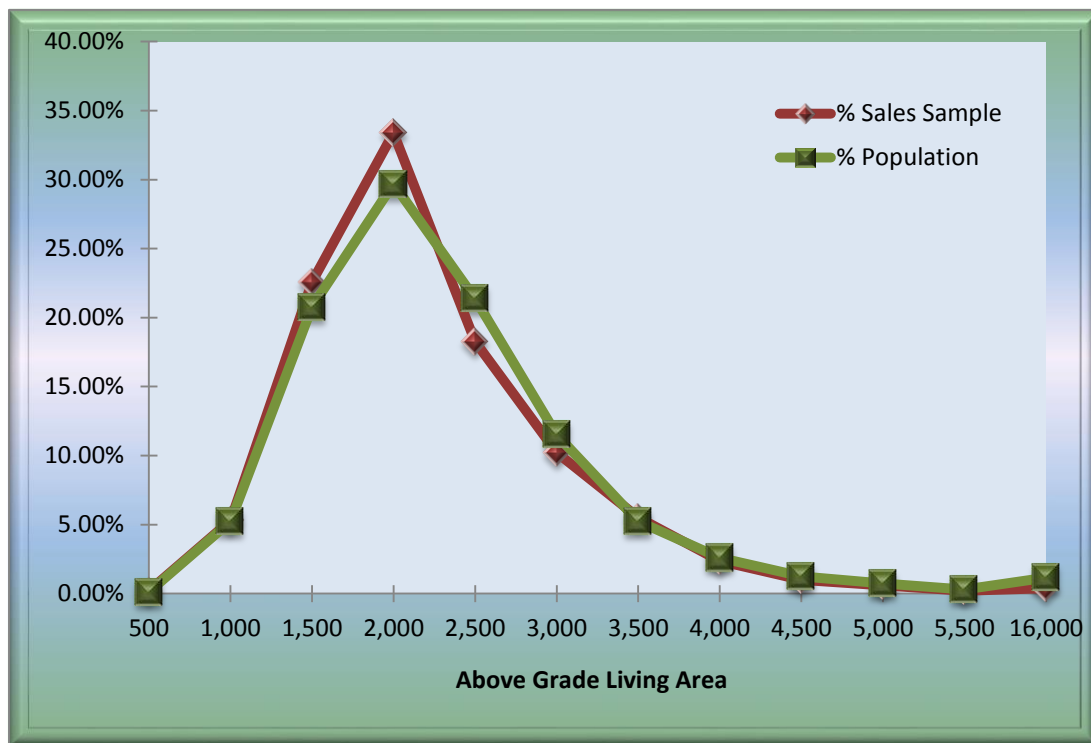
Above Grade Living Area

Sales

AGLA	Frequency	% Sales Sample
500	1	0.20%
1,000	27	5.30%
1,500	115	22.59%
2,000	170	33.40%
2,500	93	18.27%
3,000	52	10.22%
3,500	28	5.50%
4,000	12	2.36%
4,500	5	0.98%
5,000	3	0.59%
5,500	1	0.20%
16,000	2	0.39%
509		

Population

AGLA	Frequency	% Population
500	5	0.12%
1,000	213	5.22%
1,500	848	20.79%
2,000	1,211	29.70%
2,500	872	21.38%
3,000	470	11.53%
3,500	213	5.22%
4,000	106	2.60%
4,500	51	1.25%
5,000	30	0.74%
5,500	12	0.29%
16,000	47	1.15%
4,078		



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



Sales Sample Representation of Population

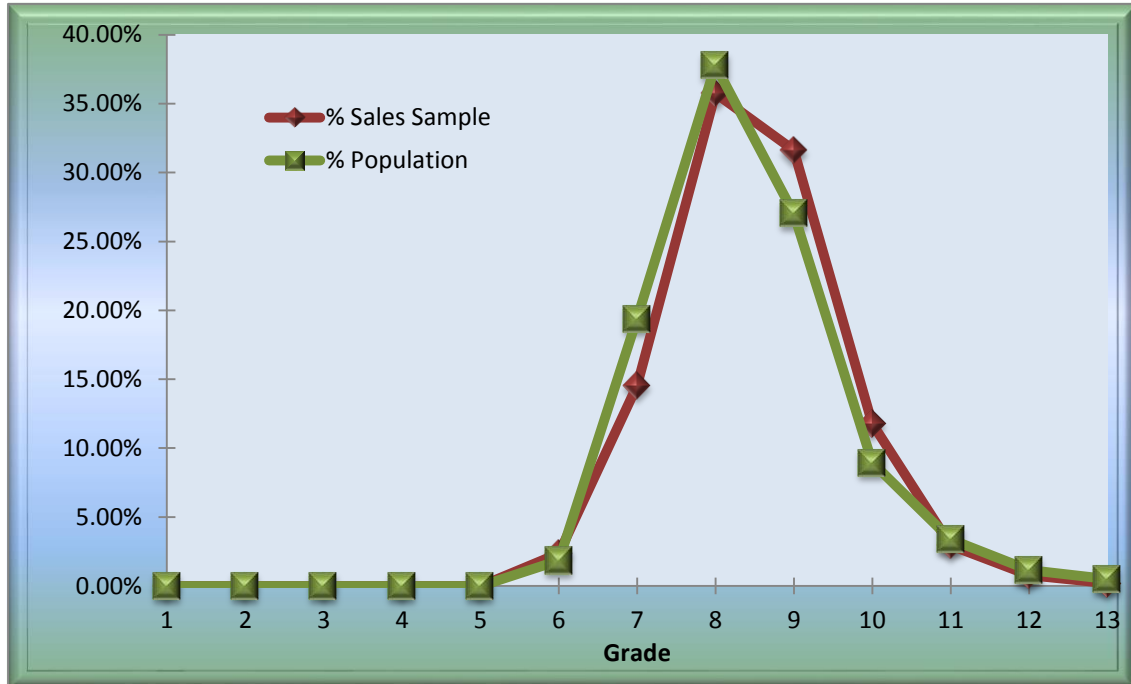
Building Grade

Sales

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	0	0.00%
6	12	2.36%
7	74	14.54%
8	182	35.76%
9	161	31.63%
10	60	11.79%
11	15	2.95%
12	4	0.79%
13	1	0.20%
509		

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	0	0.00%
6	75	1.84%
7	791	19.40%
8	1,540	37.76%
9	1,102	27.02%
10	365	8.95%
11	138	3.38%
12	47	1.15%
13	20	0.49%
4,078		



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

Results

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

The assessment level target for all areas in King County, including this area, is 92.5. The actual assessment level for this area is 92.4%. The standard statistical measures of valuation performance are all within the IAAO recommended range of .90 to 1.10.

Application of these recommended values for the 2017 assessment year (taxes payable in 2018) results in an average total change from the 2016 assessments of +4.3%. This increase is due partly to market changes over time and the previous assessment levels.

A Ratio Study was completed just prior to the application of the 2017 recommended values. This study benchmarks the prior assessment level using 2016 posted values (1/1/2016) compared to current adjusted sale prices (1/1/2017). The study was also repeated after the application of the 2017 recommended values. The results show an improvement in the COD from 11.68% to 9.18%.

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

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

Area 013 Housing Profile



Grade 6/ Year Built 1903/ TLA 950/ 220750-0430



Grade 7/ Year Built 1927/ TLA 1,880/ 133880-0175



Grade 8/ Year Built 1923/ TLA 3,440/ 116900-0125



Grade 9/ Year Built 2015/ 2,890/ 501500-1295



10/ Year Built 2013/ TLA 2,850/ 983120-0180



Grade 11/ Year Built 1915/ TLA 6,160/ 676270-0610



Grade 12/ Year Built/Ren 1909/2012/ TLA 10,250/
133830-0395



Grade 13/ Year Built 1905/TLA 9,845/ 134630-0085

Glossary for Improved Sales

Condition: Relative to Age and Grade

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

Residential Building Grades

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



USPAP Compliance

Client and Intended Use of the Appraisal:

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

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

Definition and date of value estimate:

Market Value

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

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

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

Highest and Best Use

RCW 84.40.030

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

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



USPAP Compliance...Continued

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

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

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

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

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

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

Date of Value Estimate

RCW 84.36.005

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

RCW 36.21.080

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

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



USPAP Compliance...Continued

Property Rights Appraised: Fee Simple

Wash Constitution Article 7 § 1 Taxation:

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

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

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

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

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

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

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

Assumptions and Limiting Conditions:

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

USPAP Compliance...Continued

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

Scope of Work Performed:

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

Certification:

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

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



USPAP Compliance...Continued

- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.
- The reported analyses, opinions and conclusions were developed, and this report prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.
- I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the continuing education program of the Appraisal Institute.
- The individuals listed below were part of the “appraisal team” and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser or in any other capacity is listed adjacent their name.
- To the best of my knowledge the following services were performed by the appraisal team within the subject area in the last three years:
 - Andrew Rose
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Appeal Hearing Attendance
 - Land and Total Valuation
 - New Construction Evaluation
 - Brian Hurley
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Land and Total Valuation
 - New Construction Evaluation
 - David McCroskey
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Land and Total Valuation
 - New Construction Evaluation
 - Kevin Johnson
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Land and Total Valuation
 - New Construction Evaluation



USPAP Compliance...Continued

- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed adjacent to my name.
- To the best of my knowledge the following services were performed by me within the subject area in the last three years:
 - Karen Anderson
 - Annual Up-Date Model Development and Report Preparation
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Appeal Hearing Attendance
 - Physical Inspection Model Development and Report Preparation
 - Land and Total Valuation
 - New Construction Evaluation

Karen Anderson

6/22/2017

Appraiser II

Date



King County

Department of Assessments

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

John Wilson

Assessor

As we start preparations for the 2017 property assessments, it is helpful to remember that the mission and work of the Assessor's Office sets the foundation for efficient and effective government and is vital to ensure adequate funding for services in our communities. Maintaining the public's confidence in our property tax system requires that we build on a track record of fairness, equity, and uniformity in property assessments. Though we face ongoing economic challenges, I challenge each of us to seek out strategies for continuous improvement in our business processes.

Please follow these standards as you perform your tasks.

- Use all appropriate mass appraisal techniques as stated in Washington State Laws, Washington State Administrative Codes, Uniform Standards of Professional Appraisal Practice (USPAP), and accepted International Association of Assessing Officers (IAAO) standards and practices.
- Work with your supervisor on the development of the annual valuation plan and develop the scope of work for your portion of appraisal work assigned, including physical inspections and statistical updates of properties;
- Where applicable, validate correctness of physical characteristics and sales of all vacant and improved properties.
- Appraise land as if vacant and available for development to its highest and best use. The improvements are to be valued at their contribution to the total in compliance with applicable laws, codes and DOR guidelines. The Jurisdictional Exception is applied in cases where Federal, State or local laws or regulations preclude compliance with USPAP;
- Develop and validate valuation models as delineated by IAAO standards: Standard on Mass Appraisal of Real Property and Standard on Ratio Studies. Apply models uniformly to sold and unsold properties, so that ratio statistics can be accurately inferred to the entire population.
- Time adjust sales to January 1, 2017 in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standard 6 for Mass Appraisals. The intended users of your appraisals and the written reports include the public, Assessor, the Boards of Equalization and Tax Appeals, and potentially other governmental jurisdictions. The intended use of the appraisals and the written reports is the administration of ad valorem property taxation.

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

John Wilson
King County Assessor



King County

Department of Assessments