

East Shoreline

Area: 003

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

Email: assessor.info@kingcounty.gov

<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 inspection 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

East Shoreline – Area 003

2017 Assessment Roll Year

Recommendation is made to post values for Area 003 to the 2018 tax roll:

Appraiser II: Chris Coviello

06-26-2017

Date

NW District Senior Appraiser: Ron Guidry

7/10/2017

Date

Residential Division Director: Debra S. Prins

7/12/17

Date

This report is hereby accepted and the values described in the attached documentation for Area 003 should be posted to the 2018 tax roll.

John Wilson, King County Assessor

7/14/17

Date



Executive Summary

East Shoreline - Area 003

Physical Inspection

Appraisal Date: 1/1/2017
Previous Physical Inspection: 2013
Number of Improved Sales: 663
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	\$184,000	\$197,800	\$381,800			8.55%
2017 Value	\$213,100	\$223,000	\$436,100	\$473,500	92.1%	6.48%
\$ Change	+\$29,100	+\$25,200	+\$54,300			
% Change	+15.8%	+12.7%	+14.2%			

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 6.48% is an improvement from the previous COD of 8.55%. The lower the COD, the more uniform are the predicted assessed values. Assessment standards prescribed by the International Association of Assessing Officers identify that the COD in rural or diverse neighborhoods should be no more than 20%. The resulting COD meets or exceeds the industry assessment standards. Sales from 1/1/2013 to 12/31/2016 (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	\$187,700	\$179,300	\$367,000
2017 Value	\$215,500	\$199,500	\$415,000
\$ Change	+\$27,800	+\$20,200	+\$48,000
% Change	+14.8%	+11.3%	+13.1%

Number of one to three unit residences in the population: 5,172

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 003 – East Shoreline, 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.



Area 003 Physical Inspection Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

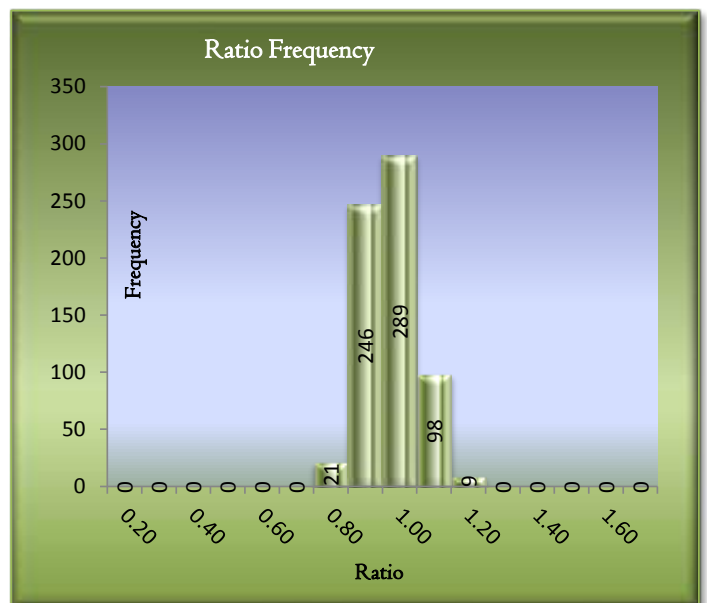
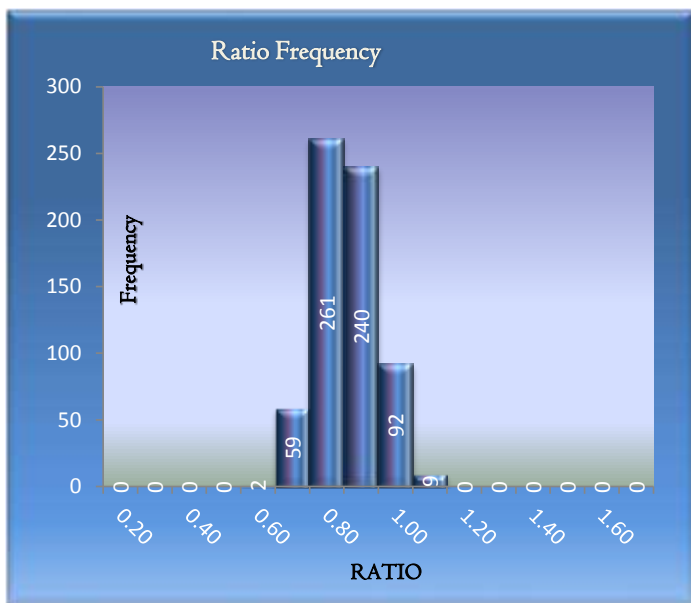
Pre-revalue ratio analysis compares time adjusted sales from 2014 through 2016 in relation to the previous assessed value as of 1/1/2016.

PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	663
Mean Assessed Value	381,800
Mean Adj. Sales Price	473,500
Standard Deviation AV	111,021
Standard Deviation SP	124,176
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.807
Median Ratio	0.804
Weighted Mean Ratio	0.806
UNIFORMITY	
Lowest ratio	0.542
Highest ratio:	1.078
Coefficient of Dispersion	8.55%
Standard Deviation	0.086
Coefficient of Variation	10.66%
Price Related Differential (PRD)	1.001

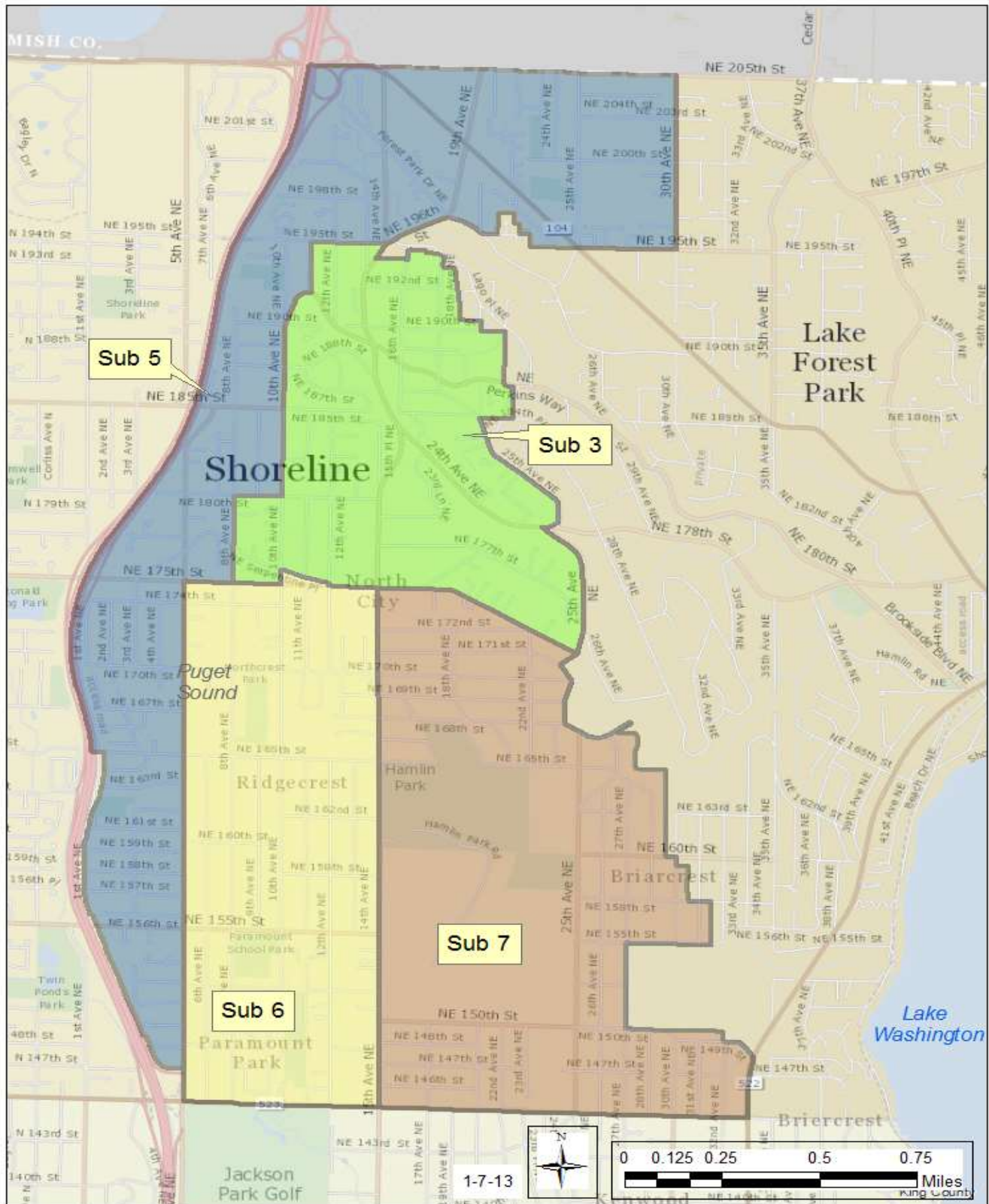
POST-REVALUE RATIO ANALYSIS

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)	663
Mean Assessed Value	436,100
Mean Sales Price	473,500
Standard Deviation AV	108,542
Standard Deviation SP	124,176
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.927
Median Ratio	0.921
Weighted Mean Ratio	0.921
UNIFORMITY	
Lowest ratio	0.771
Highest ratio:	1.145
Coefficient of Dispersion	6.48%
Standard Deviation	0.074
Coefficient of Variation	8.01%
Price Related Differential (PRD)	1.006



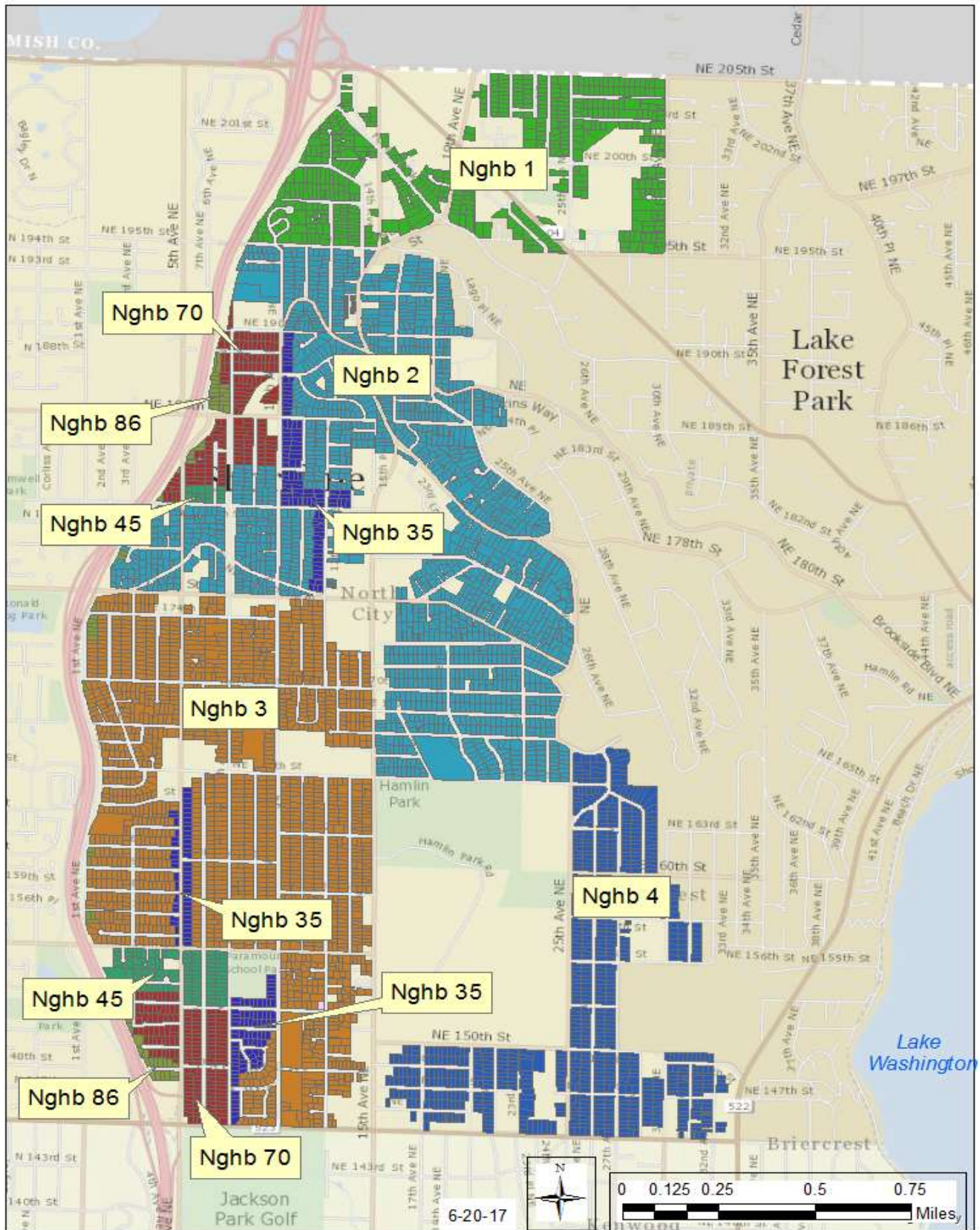
Area 003 Map



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



Neighborhood Map



Area Information

Name or Designation

Area 003 - East Shoreline

Boundaries

The southern boundary of this area is the city limits of Seattle at N 145th Street. The western boundary runs along the Interstate 5 freeway. The northern boundary is at the King /Snohomish County line. The eastern boundary runs along the western border of Lake Forest Park beginning north at 30th Ave NE and south to Bothell Way NE at NE 145th St.

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 003 is located north of the Seattle City Limit boundaries and south of the King/Snohomish County Line. It was annexed from Unincorporated King County to the City of Shoreline in August of 1995. Located in the eastern portion of Shoreline, it has good access to the I-5 freeway at NE 145th St and NE 175th St. It is homogeneous and urban in nature much like that of the areas in neighboring Seattle to the south.

There are a total of 5670 parcels in Area 3. Improved parcels comprise 5496 which includes 26 manufactured homes and 6 parcels with miscellaneous non-living improvements for a total improvement rate of 97%. There are a total 70 Townhome parcels of which 32 are located within the plat described as Cedar Heights Townhomes built in 2006. For the entire population, the typical house is grade 7 in quality, has 1350 square feet of above grade living area, 1560 square feet total living area, is in Average Condition and built in the late 1940's and 1950's. Grade 7 homes comprise 61% of the total site built improved population. Grades 6 thru 8 comprise nearly 98% of the improved population. View properties are not typical in area 3 and it is relatively free of documented environmental sensitive area issues.

There are no major retail centers in area 3. However, access to shopping is readily available in surrounding communities. Convenience shopping and services within area 3 are available in the North City neighborhood along 15th Ave NE from NE 170th St continuing north to NE 180th St.

Major landmarks include Hamlin Park, Kellogg Middle School and Shorecrest High School. Acacia Memorial Park and Funeral Home is located on the eastern border of area 3 at 27th Ave NE.

Though area 3 is divided into 4 sub areas (see sub area map on page 7) it may be more accurately described in the market by 4 distinct neighborhoods as identified by the City of Shoreline. All neighborhoods are similarly competing in the market and their identity is adopted in this report. They are Ballinger (Nghb 1), North City (Nghb 2), Ridgecrest (Nghb 3) and Briarcrest (Nghb 4). (See map of neighborhoods on page 8).

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. There were 2 usable vacant land sales in Area 3. In addition to the market data approach, four teardown sales were analyzed in the determination of land values. Area 3 has limited re-development at this time though analysis was performed when possible to determine building to land ratios on new home sales. This appraisal method of allocation to the land thus supports the vacant land sales. All land was valued at its highest and best use as if vacant. A typical non view single site lot of 7001-8000 square feet has a value of \$210,000.

Land Model

Model Development, Description and Conclusions

Overall, area 3 is a good example of a Suburban Single Family bedroom community. 5496 of 5670 parcels (approximately 97%) have either a site built home or mobile home on them. Residential zone designation (R6, R8, R12, R48) represent 86.4% of the population. Commercially zoned properties represent less than 1% of the population. There are a total of 720 residential parcels that have been rezoned to the higher density MUR 30, MUR 45 or MUR 70 (Multi Use Residential) zoning since April of 2015. This is typical in areas where development saturation has been met and is part of the City of Shoreline's Phased Zoning in anticipation of the Sound Transit Light Rail that is adjacent to Interstate 5 with stations planned at 145th Street and 185th Street. Additional phases to this project are scheduled for 2021 and 2033. A total of 64 parcels have been identified that were transferred or in negotiations for such with Sound Transit. These are considered to be properties that are subject to Eminent Domain and ultimately razing for the purpose of the Light Rail Project. As such, a likely change of use is imminent. Any sales of these parcels have been excluded from analysis as it was not possible to determine the influence the upcoming Eminent Domain action had on the motivation of market participants.

Parcels with environmental concerns (70) represent a very small percentage of the total population and are not considered characteristics that drive the market in this area. There are a total of 1288 parcels coded for varying levels of traffic nuisance representing approximately 22.7% of the population. This is considered typical and acceptable in highly developed urban settings.

These characteristics as well as others including highest and best use as if vacant, parcels with external nuisance and parcels with known easements were checked for accuracy and considered in the land valuation. Values for properties that required adjustment were developed using paired sales analysis. Critical knowledge gained from past appraisal experience in neighboring areas was also applied. A list of vacant sales used and those considered not reflective of the market are available.

Land Value Model Calibration

Vacant Land Schedule (Single Site)

Lot Size	Value
Townhome < 2001	\$130,000
2001-3000	\$150,000
3001-4000	\$170,000
4001-5000	\$180,000
5001-6000	\$190,000
6001-7000	\$200,000
7001-8000	\$210,000
8001-9000	\$220,000
9001-10000	\$230,000
10001-11000	\$240,000
11001-12000	\$250,000
12001-13000	\$260,000
13001-15000	\$270,000
15001-20000	\$280,000
20001-25000	\$290,000
25001-35000	\$300,000
36001-40000	\$310,000
Add \$1 for every 1 sf > 40000	

Traffic Adjustments

Moderate Arterial	-5%
High Arterial	-10%
Extreme Arterial	-15%

Additional Adjustments

Topography	-10% to -40%
Documented as Unbuildable	-75% to -90%
Esmts/Access/PowerLines	-5 to -10%
Streams/Wetland	-10% to -40%
Other Environmental	Up to -50%
Power Lines	-5% to -15%



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:

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

A cost based model was developed for valuing the majority of the parcels in area 3. The model was applied to detached single family residences as well as townhome style improvements. The model was tested for accuracy on all possible types of property in the population. One supplemental model was developed and applied to properties where the model was not deemed accurate. The valuation model was applied to the population after all of the parcels were field inspected. Based on the sales an overall assessment level of 92.1% was achieved. The uniformity of assessment improved as the COD was reduced from 8.55% to 6.48%. The cost based model included the following variables: sale day, land value, building cost, accessory cost less depreciation, age of improvements and condition. It was applicable to all grade homes, all ages and all conditions with the exception of poor. It was not applicable to multiple building sites, parcels with more than one house, homes with unfinished areas, homes less than 100% complete or parcels with net condition or obsolescence.

Improved Parcel Total Value Model Calibration

Variable	Definition
Sale Day	Time Adjustment
BaseLandC	2017 Adjusted Base Land Value
ComboCostC	Bldg RCN + RCNLD Accessory Cost
Age	Age of Improvements
GoodYN	House Condition is Good
VGoodYN	House Condition is Very Good
Grade 6	House Grade is 6
HiGrade	House Grade is Greater Than 7
Sub6YN	Sub Area 6

Multiplicative Model

$(1-0.075) * 2.68210940341329 - 0.088364827977973 * \text{AgeC} + 0.261374075400395 * \text{BaseLandC} + 0.445586313663088 * \text{ComboCostC} + 0.0432568937550878 * \text{GoodYN} + 0.0188409249010152 * \text{Grade6} + 0.038130279600968 * \text{HiGradeYN} + 0.000325987151763359 * \text{SaleDay} + 0.0150044093183622 * \text{Sub6YN} + 0.0815372340386428 * \text{VGoodYN}$

EMV values were not generated for:

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

Of the improved parcels in the population, 5112 parcels increased in value. They were comprised of 35 single family residences on commercially zoned land and 5077 single family residences or other parcels.

Of the vacant land parcels greater than \$1000, 87 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

Supplemental Models and Exceptions

Imps Fair Condition

EMV x 0.90

Area 003 Market Value Changes Over Time

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

For example, a sale of \$475,000 which occurred on October 1, 2015 would be adjusted by the time trend factor of 1.161, resulting in an adjusted value of \$551,000 ($\$475,000 \times 1.161 = \$551,475$) – truncated to the nearest \$1000.

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2014	1.429	42.9%
2/1/2014	1.415	41.5%
3/1/2014	1.402	40.2%
4/1/2014	1.388	38.8%
5/1/2014	1.375	37.5%
6/1/2014	1.361	36.1%
7/1/2014	1.348	34.8%
8/1/2014	1.334	33.4%
9/1/2014	1.321	32.1%
10/1/2014	1.308	30.8%
11/1/2014	1.295	29.5%
12/1/2014	1.282	28.2%
1/1/2015	1.269	26.9%
2/1/2015	1.256	25.6%
3/1/2015	1.245	24.5%
4/1/2015	1.232	23.2%
5/1/2015	1.220	22.0%
6/1/2015	1.208	20.8%
7/1/2015	1.196	19.6%
8/1/2015	1.184	18.4%
9/1/2015	1.172	17.2%
10/1/2015	1.161	16.1%
11/1/2015	1.149	14.9%
12/1/2015	1.138	13.8%
1/1/2016	1.127	12.7%
2/1/2016	1.115	11.5%
3/1/2016	1.105	10.5%
4/1/2016	1.094	9.4%
5/1/2016	1.083	8.3%
6/1/2016	1.072	7.2%
7/1/2016	1.062	6.2%
8/1/2016	1.051	5.1%
9/1/2016	1.041	4.1%
10/1/2016	1.030	3.0%
11/1/2016	1.020	2.0%
12/1/2016	1.010	1.0%
1/1/2017	1.000	0.0%



Area 003 Market Value Changes Over Time

The time adjustment formula for Area 003 is: $1/EXP(+ 0.00032598715176336 * \text{SaleDay})$
 $\text{SaleDay} = \text{SaleDate} - 42736$

Sales Sample Representation of Population

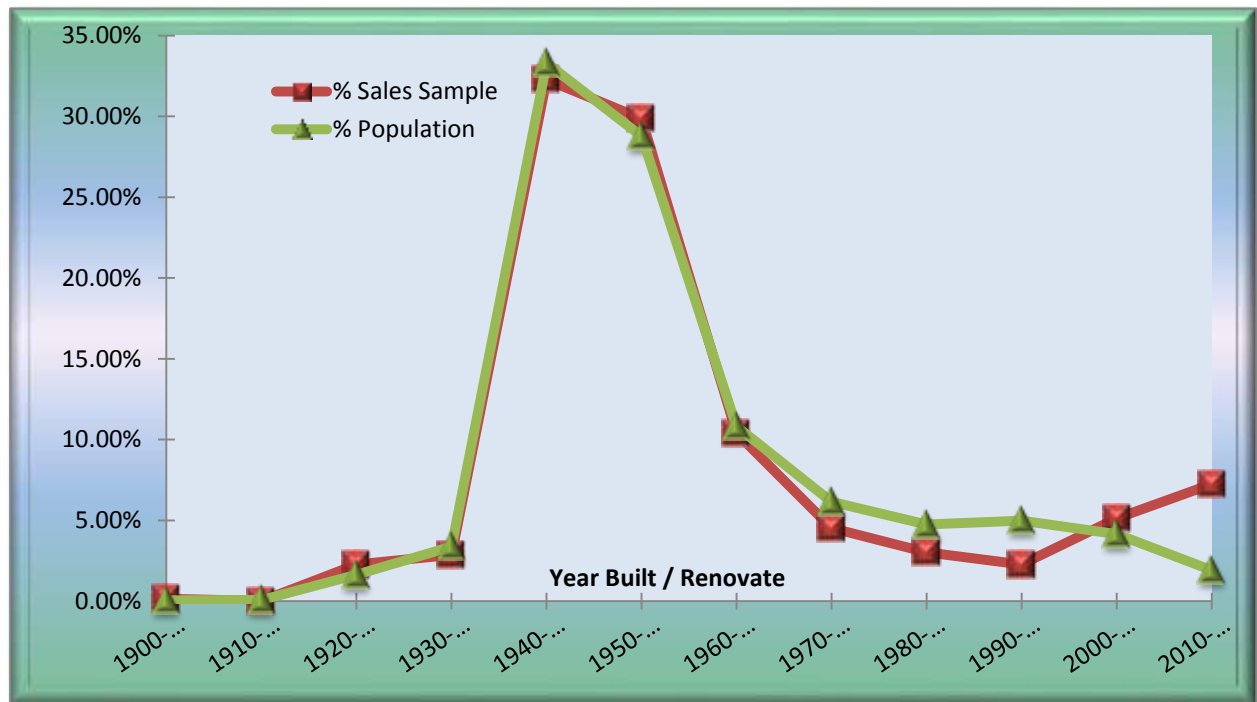
Year Built or Renovated

Sales

Year Built/Ren	Frequency	% Sales Sample
1900-1909	1	0.15%
1910-1919	0	0.00%
1920-1929	15	2.26%
1930-1939	19	2.87%
1940-1949	214	32.28%
1950-1959	198	29.86%
1960-1969	69	10.41%
1970-1979	30	4.52%
1980-1989	20	3.02%
1990-1999	15	2.26%
2000-2009	34	5.13%
2010-2017	48	7.24%
	663	

Population

Year Built/Ren	Frequency	% Population
1900-1909	3	0.06%
1910-1919	4	0.08%
1920-1929	84	1.62%
1930-1939	175	3.38%
1940-1949	1,723	33.31%
1950-1959	1,488	28.77%
1960-1969	560	10.83%
1970-1979	318	6.15%
1980-1989	245	4.74%
1990-1999	258	4.99%
2000-2009	215	4.16%
2010-2017	99	1.91%
	5,172	



The sales sample frequency distribution follows the population distribution very closely with regard to Year Built or Renovated. This distribution is ideal for both accurate analysis and appraisals.



Sales Sample Representation of Population

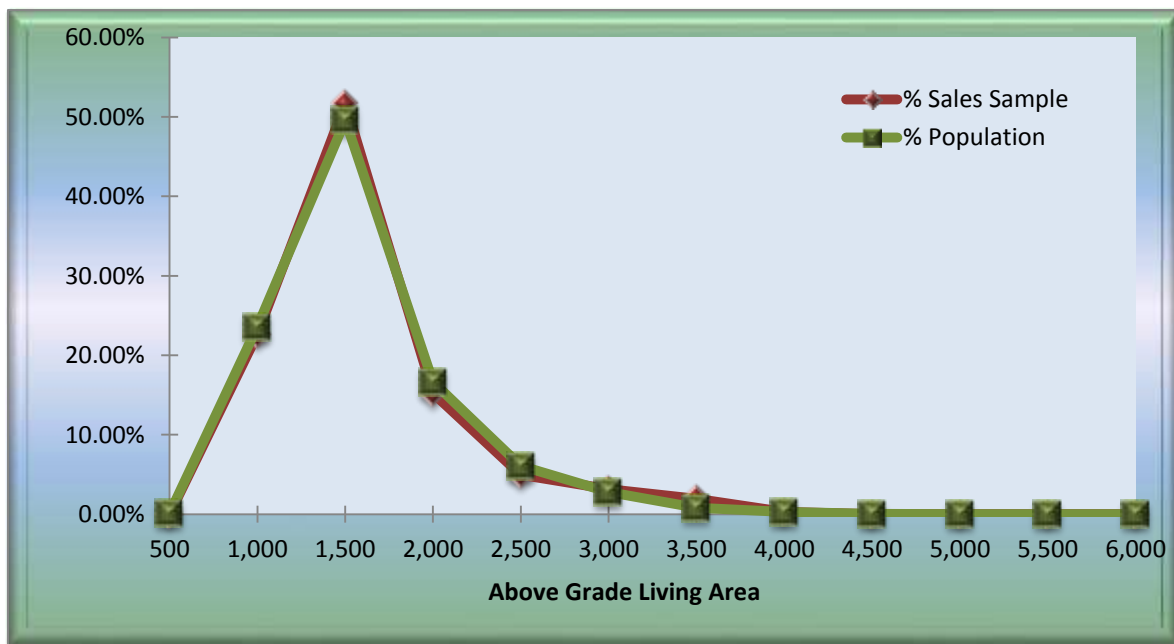
Above Grade Living Area

Sales

AGLA	Frequency	% Sales Sample
500	0	0.00%
1,000	150	22.62%
1,500	343	51.73%
2,000	101	15.23%
2,500	33	4.98%
3,000	21	3.17%
3,500	13	1.96%
4,000	2	0.30%
4,500	0	0.00%
5,000	0	0.00%
5,500	0	0.00%
6,000	0	0.00%
663		

Population

AGLA	Frequency	% Population
500	7	0.14%
1,000	1,221	23.61%
1,500	2,564	49.57%
2,000	861	16.65%
2,500	315	6.09%
3,000	144	2.78%
3,500	42	0.81%
4,000	15	0.29%
4,500	2	0.04%
5,000	1	0.02%
5,500	0	0.00%
6,000	0	0.00%
5,172		



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Sales Sample Representation of Population

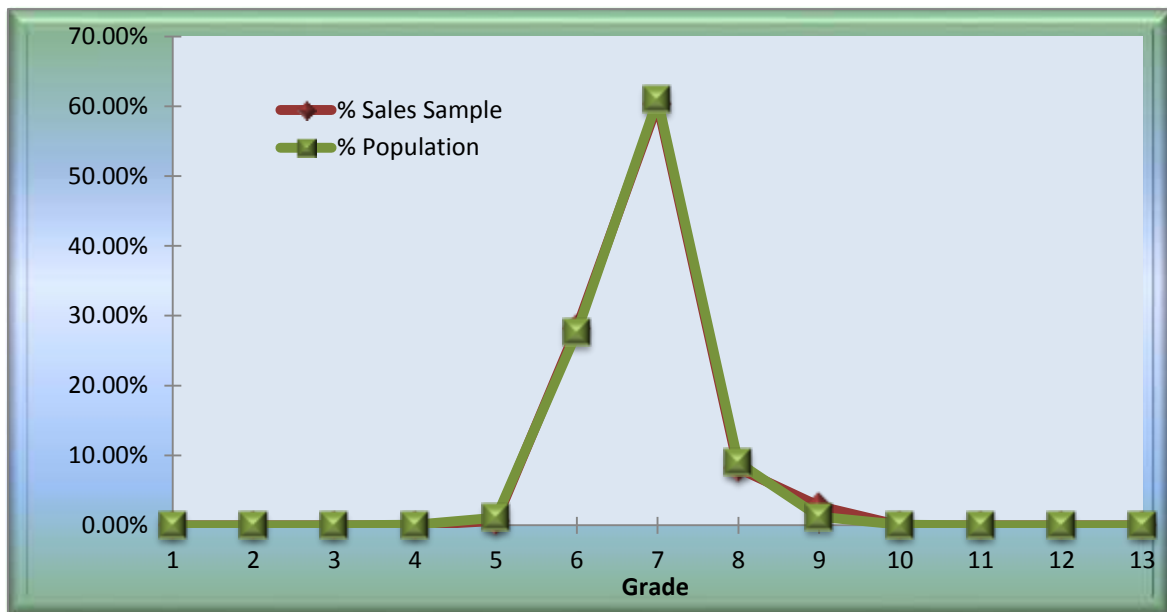
Building Grade

Sales

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	4	0.60%
6	187	28.21%
7	400	60.33%
8	54	8.14%
9	18	2.71%
10	0	0.00%
11	0	0.00%
12	0	0.00%
13	0	0.00%
663		

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	3	0.06%
5	56	1.08%
6	1,429	27.63%
7	3,154	60.98%
8	464	8.97%
9	63	1.22%
10	3	0.06%
11	0	0.00%
12	0	0.00%
13	0	0.00%
5,172		



The sales sample frequency distribution follows the population distribution very closely with regard to Year Built or Renovated. This distribution is ideal 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 92.1% . 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 2017) results in an average total change from the 2016 assessments of +13.1%. 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 8.55% to 6.48%.

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 003 Housing Profile



Grade 5 / Year Built 1948 / Total Living Area 480 SF
Account Number 399690-0535



Grade 6 / Year Built 1953 / Total Living Area 1040 SF
Account Number 616390-0954



Grade 7 / Year Built 1947 / Total Living Area 1260 SF
Account Number 430430-0255



Grade 8 / Year Built 1956 / Total Living Area 2370 SF
Account Number 802290-0025



Grade 9 / Year Built 2001 / Total Living Area 2430
Account Number 741770-0193

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 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:

Erin McMurtrey

- Appeals Response Preparation
- Data Collection
- Sales Verification
- Land Valuation
- New Construction Evaluation

Robert Moore

- Appeals Response Preparation
- Data Collection
- Sales Verification
- Land Valuation
- New Construction Evaluation

Michael Mills

- Appeals Response Preparation
- Data Collection
- Sales Verification
- Land Valuation
- New Construction Evaluation

- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed adjacent to my name.
- To the best of my knowledge the following services were performed by me within the subject area in the last three years:

Christopher Coviello

- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Physical Inspection Model Development and Report Preparation
- Land and Total Valuation
- New Construction Evaluation



06-26-2017

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

