

Commercial Revalue

2018 Assessment roll

AREA
30

King County, Department of Assessments
Seattle, Washington

John Wilson, Assessor



King County

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John Wilson
Assessor

Dear Property Owners,

Our field appraisers work hard throughout the year to visit properties in neighborhoods across King County. As a result, new commercial and residential valuation notices are mailed as values are completed. We value your property at its “true and fair value” reflecting its highest and best use as prescribed by state law (RCW 84.40.030; WAC 458-07-030).

We continue to work hard to implement your feedback and ensure we provide accurate and timely information to you. We have made significant improvements to our website and online tools to make interacting with us easier. The following report summarizes the results of the assessments for your area along with a map. Additionally, I have provided a brief tutorial of our property assessment process. It is meant to provide you with background information about the process we use and our basis for the assessments in your area.

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

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

In Service,

John Wilson
King County Assessor

How Property Is Valued

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

What Are Mass Appraisal Techniques?

In King County the Mass Appraisal process incorporates statistical testing, generally accepted valuation methods, and a set of property characteristics for approximately 700,000 residential, commercial and industrial properties. More specifically for commercial property, the Assessor breaks up King County into geographic or specialty (i.e., office buildings, warehouses, retail centers, etc.) market areas and annually develops valuation models using one or more of the three standard appraisal indicators of value: Cost, Sales Comparison (market) and Income. For most commercial properties the income approach is the primary indicator of value. The results of the models are then applied to all properties within the same geographic or specialty area.

Are Properties Inspected?

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

How are Commercial Properties Valued?

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

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

How is Assessment Uniformity Achieved?

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

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

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

Type of Commercial Property	Subtype	COD Range
Income Producing	Larger areas represented by large samples	5.0 to 15.0
Income Producing	Smaller areas represented by smaller samples	5.0 to 20.0
Vacant Land		5.0 to 25.0
Other real and personal property		Varies with local conditions

Source: IAAO, *Standard on Ratio Studies*, 2013, Table 1-3. www.IAAO.org

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

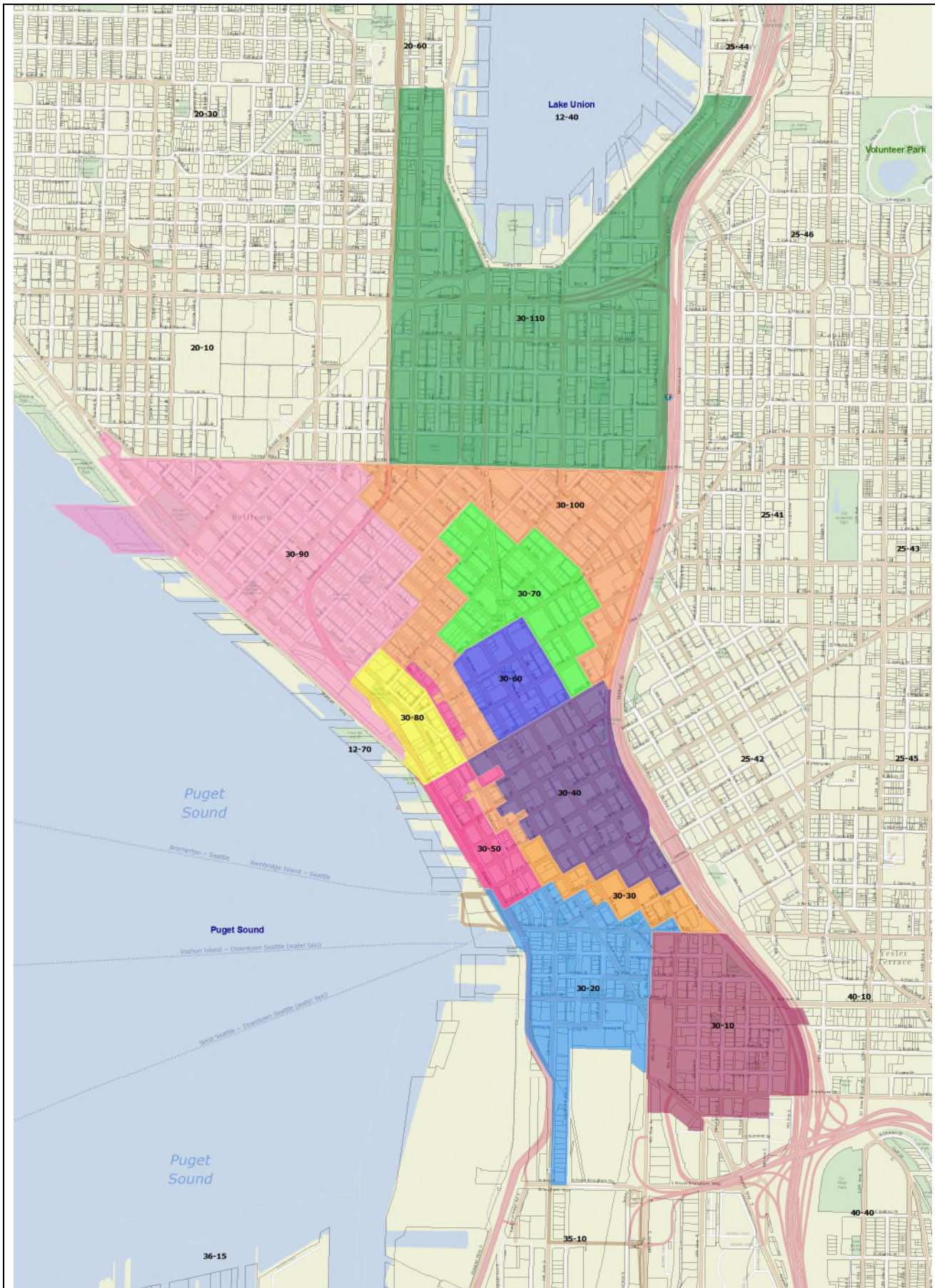
Requirements of State Law

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

Appraisal Area Reports

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

Area 30 – Central Business District



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 representation or warranties, express or implied, as to the 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.



King County
Assessments
5/3/16

Executive Summary Report

Appraisal Date 1/1/2018- 2018 Assessment Year

Quadrant Name: Central Business District – Area 30

Sales – Improved Summary:

Number of Sales: 63 Total Sales, 63 used in Ratio Study Analysis

Range of Sales Dates: 01/02/2015– 12/01/2017

Sales – Ratio Study Summary:

	Improved Value	Sale Price	Ratio	COD
2017 Average Value	\$6,189,700	\$7,211,800	85.80%	16.92%
2018 Average Value	\$7,115,200	\$7,211,800	98.70%	14.20%
Change	+\$925,500		+12.9%	-2.72%
% Change	+14.95%		+15.03%	-16.08%

*COD is a measure of uniformity, the lower the number the better the uniformity. The negative figures reflecting the change in COD from 2017 to the 2018 revalue represent an improvement of the uniformity. The Weighted Mean Ratio, which represents the assessment level, has improved from the 2017 to the 2018 revalue.

Sales used in Analysis: All improved sales which were verified as good that did not have characteristic changes between the date of sale and the date of appraisal were included in the analysis.

Population - Parcel Summary Data:

	Land	Imps	Total
2017 Value	\$6,350,798,700	\$3,411,316,350	\$9,762,115,050
2018 Value	\$7,240,016,099	\$3,710,380,500	\$10,950,396,599
Percent Change	+ 14.00%	+ 8.77%	+ 12.17

Number of Parcels in the Population: 1204 which includes vacant, improved, commercial units, and exempt parcels. Specialty parcels are not included.

Conclusion and Recommendation:

Since the values recommended in this report improve the uniformity as well as the assessment level, we recommend posting these values for the 2018 assessment year.

Area 30 Responsible Appraiser

The following appraiser did the valuation for this area:

- Joe Arnold – Commercial Appraiser II (Area 30)

Identification of the Area

Name or Designation: Area 30: Downtown Seattle

Area 30 is known as the Seattle Central Business District (CBD) or Downtown Seattle and includes the following neighborhoods:

30-10 The International Historic District
30-20 Pioneer Square Historic District
30-30 Local Governmental Center
30-40 Downtown Office Core I / Financial Center
30-50 West Edge
30-60 Downtown Retail Core
30-70 Downtown Office Core II
30-80 Pike Place Market Historic District
30-90 Belltown
30-100 Downtown Mixed Commercial/Denny Triangle
30-110 South Lake Union

Area 30 Boundaries:

Area 30 is bound predominately on the north by Denny Way, west of Aurora Avenue, and then Galer Street between Aurora Avenue and Interstate 5 freeway. The east boundary is the Interstate 5 freeway. The southern border is west of I-5 along S. Charles St. to 4th Avenue S. then to S. Royal Brougham Way, with the exception of Safeco Field. It is bound on the west by 1st Avenue S from S. Royal Brougham Way to S. Plummer St. then by Alaskan Way north to Broad Street then Elliott Avenue north to Denny Way.

Parcel Count:

The number of commercial accounts is 1204.

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 Overview:

Area 30 is King County's most dense and populous commercial area both in total building area and working population. It is the county's major employment center, a lively tourist and convention attraction, a strong shopping magnet, a growing residential market, a major governmental matrix as well as a regional entertainment and cultural hub. The Central Business District's (CBD) unique identity reflects its role as the county's primary urban center.

New high-rise office, hotel, residential and mixed-use properties have recently had a rapidly increasing presence, specifically at the north and south ends of the CBD, and have been changing the look and ambience of this area. New projects in all the major market segments, mentioned above, have been delivered in the last several years with more to be delivered soon and even more still in the planning stages. Construction activity in the Denny Triangle and even more so in the South Lake Union neighborhood make these two of the most active and dynamic economic neighborhoods in the entire country.

Most of the job growth in King County, for the last few years, has been in Downtown Seattle. This downtown economic growth is driving the commercial real estate development in the CBD. Because of this downtown job growth, the market segment that has produced the majority of the development, to-date, is the apartment segment. Literally, thousands of residential units have been delivered in downtown Seattle in the last several years with thousands more, located in every downtown neighborhood, already under construction. Thousands more are on the drawing board as well. The driving economic engine downtown has been Amazon. Development of Amazon's three, Denny Regrade located, owner-occupied office complexes, known as Rufus 2.0, is expected to be approximately 3.3 million square feet in size when complete. The first tower was completed in December 2015, the second tower completed in November of 2016, and the third tower is about 50% complete.

The office market has fully recovered from its recession lows and has continued to show increased rental rates in conjunction with improving occupancy rates. Besides the Amazon development mentioned before, in the Pioneer Square neighborhood, there was the delivery in late 2016 of the new 8-story, Weyerhaeuser Headquarters building with two additional projects at or near completion at this time in the 21-story Hawk Tower at Stadium Place and an 8-story office building at 450 Alaskan Way S. In the Downtown Office Core we have the very recent delivery of the 37-story Madison Centre and The Mark, a 44-story office/hotel project. In the Downtown Retail Core there was the ongoing conversion of the top four floors of the Macy's building into office space, which after a recent sale now includes the top six floors into office space. There is the 3-story, 75,000 square foot Third & Battery Building, delivered at the end of 2016 in the Belltown neighborhood as well as the 21-story Midtown21 delivered in late 2016 and the 11-story Tilt49 delivered at the end of 2017. The most projects were delivered or are being delivered in the South Lake Union neighborhood. In 2016, the 6-story Eleven01 Westlake, the 12-story Urban Union and the Troy Block South Tower were all delivered to the market. In 2017, the Troy Block North Tower was delivered. The 12-story 9th

& Thomas project is just now completed and the twin 6-story Arbor Blocks project and Google's 4-building campus are under construction.

The lodging industry has also been doing very well in downtown Seattle. With an already high occupancy rate, rising room prices and the planned expansion of the Washington State Convention & Trade Center, downtown Seattle has become a high-profile target for hotel developers. In the Denny Triangle neighborhood, the 222 room Hilton Garden Inn, located close to the Convention Center, was delivered in 2015, the 302 room Residence Inn just recently opened and the full block development with the 1,264 room Hyatt Regency is set to open fall 2018. In the South Lake Union neighborhood, this year's deliveries should include the 146 room Moxy Hotel as well as the 235 rooms with the Even Hotel / Staybridge Suites. In the City core between 1st & 2nd Avenues and Stewart and Pike Streets, the 158 room Thompson Hotel project was delivered in 2016 and the historic Eitel Building project, housing the 90 room State Hotel, as well as the 229 room Charter Hotel will be delivered later this year. In the Downtown Office Core, the 184 room hotel in the newly completed F5 Tower (formerly named The Mark) will open as soon as a tenant/owner is decided on. At the south end of downtown in the Pioneer Square/Stadium neighborhood, the 282 room Hotel at Stadium Place East is currently in the process of opening

No new, large retail development is currently taking place downtown, but all of the new apartment and office buildings have been developed with first floor retail, adding to the total amount of retail space. The retail market is strong in the Seattle core where most of the employment growth has occurred and additional demand is created by all of the new occupants in the new downtown apartment buildings. Retail vacancy is currently very low and rents have been rising.

The current construction activity in downtown Seattle is exceeding the activity that existed at the last economic peak in 2007. There is currently some concern that the high-end apartment market may be saturated. There is some speculation that developers who were planning to build apartments may switch to high-tech office with all of the high-tech interest currently in downtown Seattle.

With this interest in downtown development, downtown land values have been steadily increasing. After a three-and-a-half year market lull during the recession, land sales downtown began again in 2012 and have been fairly consistent since then. Current land values are significantly higher than during the last economic peak.

The original nine neighborhoods, in area 30, are typically distinguished by their predominant zoning classification. The two newer neighborhoods (90-Belltown & 110-South Lake Union) have multiple zonings. Following the "Analysis Process", on the next two pages, is a brief description of each neighborhood.

Analysis Process

Effective Date of Appraisal: January 1, 2018

Date of Appraisal Report: March 29, 2018

The following appraiser did the valuation for this geographic area:

Joe Arnold - Commercial Appraiser II

Highest and Best Use Analysis

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

As if improved: Based on neighborhood trends, both demographic and current development patterns, the existing buildings represent the highest and best use of most sites. The existing use will continue until land value, in its highest and best use, exceeds the sum of value of the entire property in its existing use and the cost to remove the improvements. We find that the current improvements do add value to the property, in most cases, and are therefore the highest and best use of the property as improved. In those properties where the property is not at its highest and best use, a nominal value of \$1,000.00 is assigned to the improvements.

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

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

Standards and Measurement of Data Accuracy: Each sale was verified with the buyer, seller, real estate agent or tenant when possible. Current data was verified and corrected when necessary via field inspection.

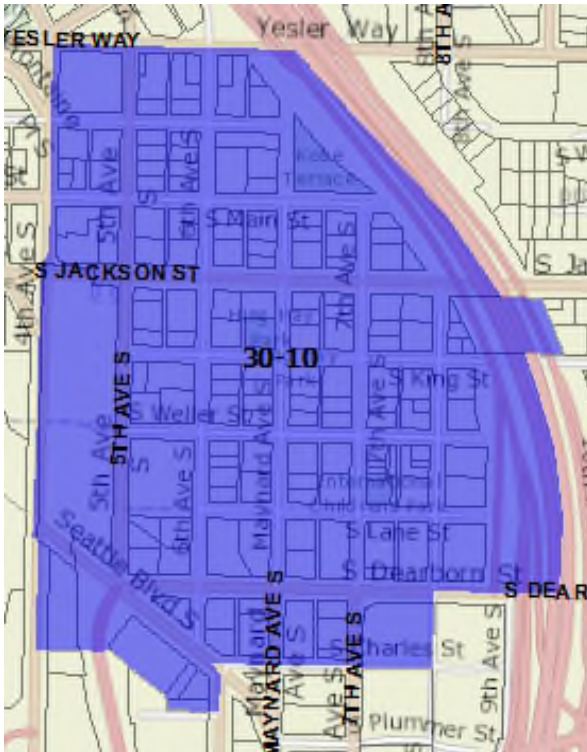
Special Assumptions and Limiting Conditions

All three approaches to value were considered in this appraisal.

The following Departmental guidelines were considered and adhered to:

- Sales from 1/01/2015 through 12/31/2017 (at minimum) were considered in all analyses.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 5 & 6 (USPAP compliant).

International Historic District: Neighborhood 30-10



Boundaries: The International District is defined by IDM and IDR zonings. It is bounded on the south by S. Charles St., on the west by Fourth Ave S., on the north by Yesler Way and on the east by Interstate-5.

Neighborhood Description:

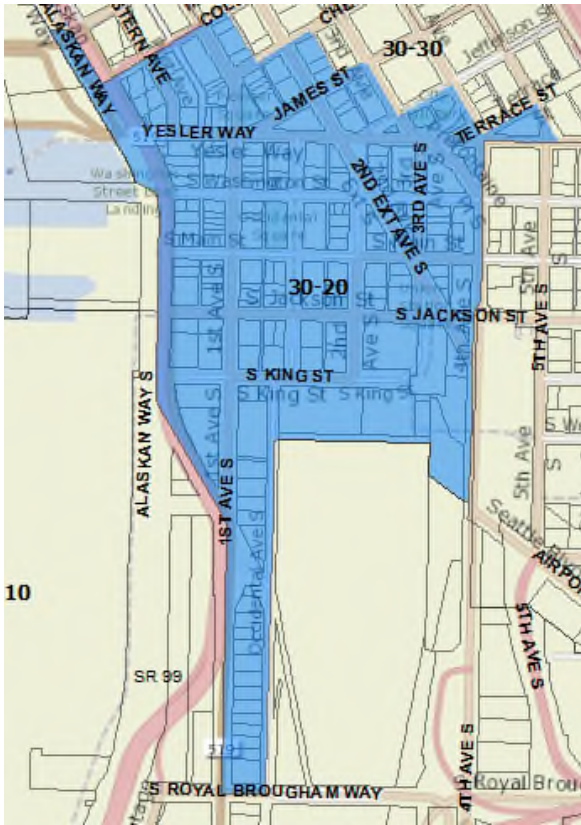
The International District is a designated historic area consisting of older buildings that are located adjacent to and east of the Pioneer Square Historic District, northeast of Safeco Field, and south of the Seattle Central Business District. The International District has IDM and IDR zones that are historic property overlays restricting redevelopment and requiring a public review to change the exterior or use of any building. The International Special Review District was established in 1973 to preserve the area's cultural and historical character. The Seattle International District Preservation Development Authority (PDA) was created in 1975 as a public corporation to redevelop historic buildings for a number of uses, most importantly, low-income housing. The PDA drives much redevelopment in the area.

Development in this neighborhood has been rather slow over the last few years, but the Downtowner Apartments completed their renovation at the end of 2013 and the same developer has built a 7-story, 120 unit apartment building called the 'Icon Apartments', which has first floor retail and underground parking. It is located to the immediate south of the Downtowner Apartments on the northeast corner of 4th Avenue South and South Jackson Street. This project was finished in January of this year and is still being leased up. Another 7-story project, the 96 unit 'Hirabayashi Place' apartments, was completed in the summer of 2016. This low-income apartment building has a ground floor child care center. This new construction is located on the northeast corner of 4th Avenue South and South Main Street, one block north of the already mentioned, Icon Apartments.



The Seattle City Council had been looking at updating land use and zoning rules for South Downtown. After considering this for over a year, they passed legislation six years ago, that allows taller buildings in certain areas of this neighborhood (30-10) as well as in the contiguous, Pioneer Square, neighborhood (30-20). These newer higher allowances were increased again last year by another 20 to 30 feet (from 150 to 170 feet and from 240 to 270 feet). The goal has been to provide development incentive for market-rate and workforce housing in the area since South Downtown has not seen as much recent development as other parts of the city. This legislation has already led to slightly greater demand at noticeably higher prices for developable land in the area. One new project is currently underway. It is the 160 unit Hana Apartments on the southwest corner of 6th Avenue and Yesler Way and is likely to be completed late this year.

Pioneer Square Historic District: Neighborhood 30-20



Boundaries: This neighborhood is defined by the boundaries of the Pioneer Square Mixed (PSM) zone classification established by the City of Seattle. The northern boundary zigzags from Alaskan Way and Columbia St. to 1st Ave and Cherry St., and then to 2nd Ave and James St., then to 3rd Ave and Jefferson St., then to 4th Ave and Terrace St., then to 5th Ave and Yesler Way. The southern boundary is along the south side of S. King Street to Occidental Avenue then south to S. Royal Brougham Way. The western boundary is along Alaskan Way S. and 1st Avenue S. The eastern boundary is along Fourth Avenue S.

Neighborhood Description: The Pioneer Square Historic District is Seattle's first neighborhood and first historic district. Pioneer Square is a well-preserved commercial neighborhood located in Seattle's original commercial center, just north of the CenturyLink Football Stadium. Pioneer Square is home to residents, galleries, shops, and restaurants as well as distribution and technology firms. The late nineteenth and early twentieth century brick and stone buildings characterize the District, many built in the Romanesque Revival style that was popular when the city rebuilt its central core after a devastating fire in 1889. According to the Pioneer Square Preservation District Urban Conservation report from the City of Seattle Department of Neighborhoods, Pioneer Square has the largest collection of such buildings in the country. Established as a preservation district in 1970, the neighborhood is protected by design guidelines focused on preserving its unique historic and architectural character and assuring the sensitive rehabilitation of buildings. Successful implementation of these guidelines has made Pioneer Square one of



Seattle's most treasured neighborhoods. The district draws a great many visitors and tourists each year.

The Pioneer Square Historic District, like the International Historic District and the Pike Place Market Historic District, has a Review Board to approve any design change to the exterior of existing structures. Their duties include implementing use and design guidelines establishing preservation of the neighborhood's appeal so as to complement and enhance the historic character of the District and to retain the quality and continuity of existing buildings.

New construction and additions to existing buildings are discouraged unless they are part of the original structures. New construction and remodeling must be visually compatible with the predominant architectural style of the other buildings in the district. Although new projects need not attempt to duplicate original facades, the design process should involve serious consideration of the typical historic building character within the district. The district's guidelines for building, restoration and renovation include the stabilization of significant historical detailing, respecting the original architectural style and use of compatible scale and materials.



Demolition or removal/replacement of buildings or other structures in the Historic District is prohibited unless approved by the Review Board. The following prerequisites for approval for building demolition or removal are: existing buildings or structures do not contain any architectural or historic significance; use and design of the replacement structure; commitment for interim and long-term financing for the replacement structure has been secured with adequate financial backing to ensure completion of the project; satisfactory arrangements have been made for retention of any part of the structure's façade; and satisfactory assurance is provided that new construction will be completed within two (2) years of demolition.

Any and all restrictions to the inherent bundle of rights associated with the fee simple ownership of real estate are considered in the valuation of properties within this and the other historic districts.



Recent construction activity in the area includes Phase I of a major development, known as ‘Stadium Place’, in the north parking lot of CenturyLink field, or Seahawks Stadium, which is now complete with a 10-story and 26-story apartment building containing a total of 514 apartments, underground parking and mixed use retail. (a finished rendition is shown above). Phase I was completed in the fall of 2014. Phase II, or ‘Stadium Place East’, is located to the left of the building shown above, will include a hotel, office space, convention center, retail space and a parking garage. ‘Stadium Place East’ is, or about, 100% complete at the writing of this report.

On the half block site, east of Occidental Park, the ‘200 Occidental’ project was started in March of 2015 and was completed in early November, 2016. The ‘200 Occidental’ project is a seven-story office building which houses the new headquarters for Weyerhaeuser Co. An 8-story office building at 450 Alaskan Way S. was just completed at the end of 2017. Lesser projects include the continuing rehabilitation of the King Street Station as well as the conversion of old, multi-story industrial buildings, on 1st Avenue S, to office space.

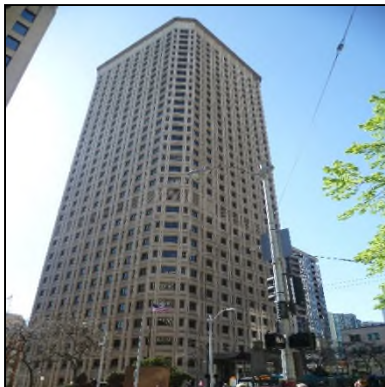
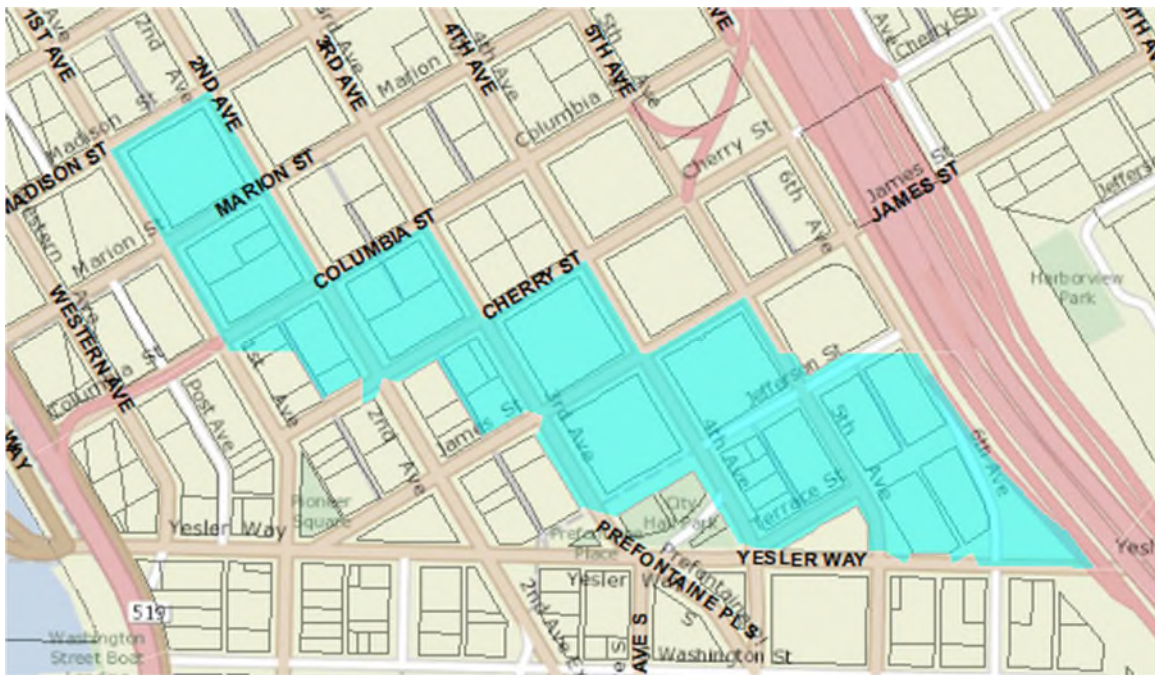
Five years ago, the City’s voters decided to go ahead with the ‘Alaskan Way Viaduct Replacement Program’. With a bored tunnel eventually replacing the Alaskan Way Viaduct, the west edge of the Pioneer Square neighborhood could be changed dramatically. Gone will be the noise, the view blockage and the eye-sore. In anticipation, we have already seen dramatically higher land values as well as the development of the old Argens Safe and Lock Co. site at 80 S. Main Street, where a seven-story, 45 unit apartment building was completed

in the summer of 2016. The Old Seattle Garage, at the north corner of S. Jackson St. and Alaskan Way S., was purchased in August of 2016 with, as yet, undetermined plans for redevelopment.

Additionally, future neighborhood values could be affected by newer legislation, also passed five years ago, that allows for greater building height in certain areas. See more about this in the paragraph at the end of the description of the already mentioned International Historic district, neighborhood 30-10.

Local Governmental Center: Neighborhood 30-30

Boundaries: This neighborhood is comprised of a small area, consisting of 24 parcels which are all zoned DMC 340/290-400. It is bordered on the north and east by the Downtown Office Core 1 neighborhood (30-40), and bordered to the south and west by the International and Pioneer Square Historic Districts. It is a narrow strip that stair-steps to the southeast from 1st Avenue and Madison St. to 6th Avenue and Yesler Way.

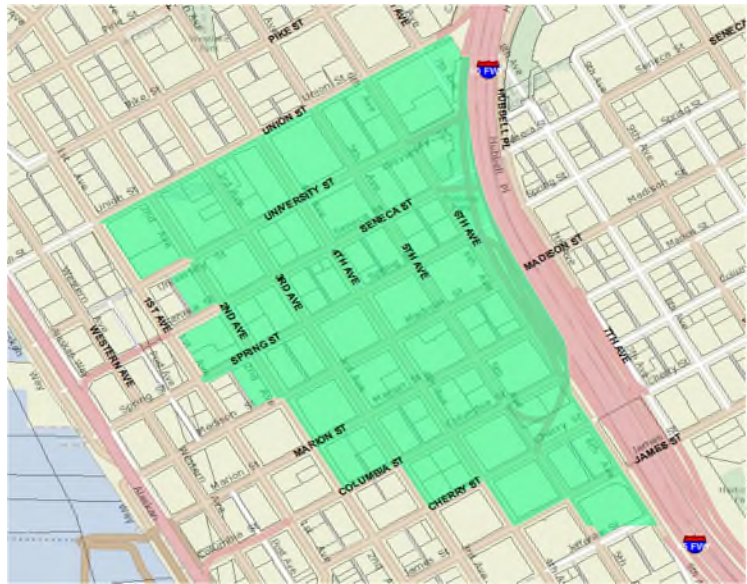


Neighborhood Description: Neighborhood 30-30 contains the government core and has the Henry Jackson Federal Office Building, shown to the left, the King County Courthouse, King County Administration Building, social service buildings and private office buildings. Its zoning was meant to act as a buffer area between the high-rise office buildings in DOC 1 zoning and the limited height buildings of the bordering historic districts.

The long proposed, mixed-use, 43-story, Civic Square project, on the former site of the old Public Safety Building, was issued a permit for excavation and shoring on December 22, 2015. The permit expires on December 22, 2018 and nothing has taken place to date. This site occupies the whole block between Cherry and James Streets and 3rd and 4th Avenues. This property has been a fenced hole-in-the-ground since the Public Safety Building was torn down in 2005.

Downtown Office Core 1 / Financial Center: Neighborhood 30-40

Boundaries: The Downtown Office Core 1 (DOC1 U/450/U) zone is bound on the north by Union Street and on the east by Interstate-5. The south border stair-steps from Interstate-5 and Jefferson Street, northwest, to Spring Street and 1st Avenue. The west boundary is basically from Spring Street, along 1st Avenue, north to Union Street.



Neighborhood Description: DOC 1 is the portion of Seattle's Central Business District with the highest density. High-rise office buildings, residential towers and major hotels exemplify the highest intensity of land use. This neighborhood contains Benaroya Hall and the Seattle Art Museum, two of Seattle's main cultural resources. The city's Library, Justice Center and City Hall are also in this neighborhood. The 2006 zone re-classification in this neighborhood allows for the greatest density in the county. There is effectively no height limitation for this zone. Because of the scarcity of developable land in this zoning, however, creative development of difficult parcels is the norm.



While development in this neighborhood was stalled during the recession, there has recently been delivered to the market place, two major high-rise buildings. Both the 44-story, office/hotel, known as the F5 Tower (formerly The Mark) and the 37-story office building, Madison Center, were completed at the very start of this year.

Under construction now is the 31-story, '2 & U' complex, at 1201 2nd Avenue. The 59-story office/residential/hotel tower at 1301 5th Avenue, in the Rainier Square block, has begun by demolishing the existing structures and a 77-story residential/office tower at 816 2nd Avenue is still in the early design stage of development. Finally, there is a proposed 100-story residential/hotel tower directly west of the Columbia Center, which is pictured above. Because of its potential 1,000 foot height, the developers are working with the Federal Aviation Administration to ensure the tower doesn't interfere with airplanes taking off or landing at the King County International Airport (Boeing Field).

West Edge: Neighborhood 30-50

Boundaries: Neighborhood 30-50 is bound on the north by Union St, on the east by 1st Avenue, on the south by Columbia St. and on the west by Alaskan Way, for its DMC 160 zoned properties (24 parcels). The DMC 125 zoned properties (11 parcels) are bound on the north by Virginia Street, on the east by the alley between 1st and 2nd Avenues, on the south by the 2nd parcel south of Pike Street and on the west by 1st Avenue. The DMC 240/290-400 zoned properties (3 parcels) are bound on the north by Union Street, on the east by 2nd Avenue, on the south by University Street and on the west by the alley between 1st and Western Avenues.



Neighborhood Description: Neighborhood 30-50, also called the “West Edge” neighborhood, consists of a mixed use of office, retail, residential and warehouse structures as well as surface parking lots. Area 30-50 is zoned as a narrow band intended to scale down building heights from DOC 1, DOC 2 and higher DMC zones as one nears Elliott Bay. This area is in a slow process of revitalization with several buildings having been remodeled or renovated recently.

Six years ago, the city voters decided to go forward with the ‘Bored Tunnel Alternative’ and the removal of the Alaskan Way Viaduct. The ‘Boring’ is complete and dismantling of the Viaduct is scheduled to begin in 2019 when the bored tunnel is put into use.

This neighborhood, along with Pioneer Square, will be the most heavily impacted by the eventual removal of the Alaskan Way Viaduct. With the removal, views for properties along the western border of this neighborhood will be dramatically improved, and external noise, caused by viaduct traffic, will cease to be a problem. Property usages are beginning to change as a result, as noted in the next two paragraphs that reference recent development. Land and total property values may increase as a result but time will tell if the market place responds in this manner.

Fairly recent development includes the Coleman Center, (shown on the following page), a 16 story, mixed use, high rise apartment building, which was completed in early 2014, on the east side of the 800 block of Western Avenue between Columbia and Marion Street. Also completed in 2014 was the renovation of the 6-story, Schwabacher Building, previously known as the ‘Immunex Building’ because of its former, long time tenant. This building had been lab/research space and was gutted and converted to office use with first floor retail.

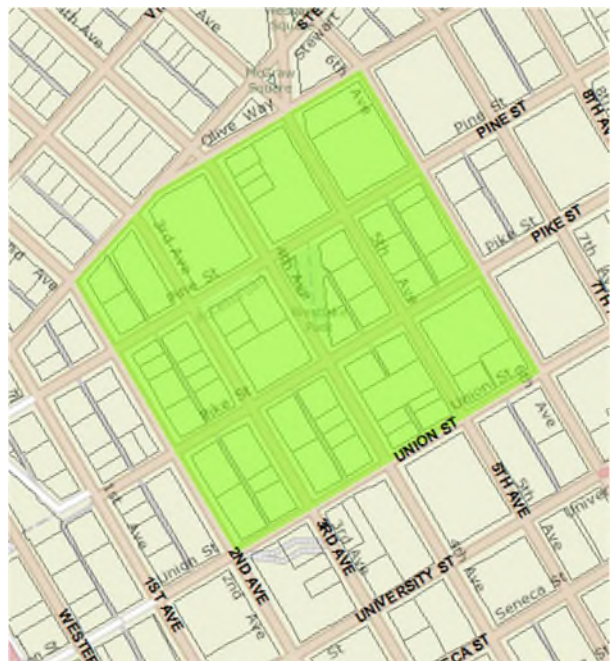
16-STORY COLEMAN CENTER APARTMENT BUILDING



Downtown Retail Core: Neighborhood 30-60

Boundaries: The Downtown Retail Core is defined by its DRC 85-150 zoning. It is bound to the north by Stewart Street and Olive Way, to the east by 6th Avenue, to the south by Union Street and to the west by Second Avenue.

Neighborhood Description: The Downtown Retail Core is Seattle's major retail center and is considered a strong shopping magnet with a lively tourist and convention attraction. The area consists of major department stores (Nordstrom and Macy's), movie theaters, a shopping mall (the Westlake Center), many street-level retail stores and restaurants, as well as some office and mixed use buildings.



There has been very little availability of properties for lease or purchase. One recent exception was the sale of the top four, marginally utilized, floors of the Macy's Department Store, in

October 2015. That space was gutted and should be available as office space this year. Macy's operations were to be consolidated into the first four floors and the basement area. That changed when Macy's also sold floors 3 & 4, on September 1, 2017, to the purchaser of the top 4 floors. One other rarity occurred when an obsolete and vacant 2-story bank building was purchased for land by a hotel developer. No plans for this site have yet been announced. The 'High Street Retail' for Seattle is located in this neighborhood as well as adjacent to this neighborhood on the south and east.

A large percentage of buildings in this neighborhood have historical designations. This is a neighborhood of buildings with generally much lower heights than the surrounding neighborhoods. Many of the buildings are richly ornamented and architecturally distinctive.



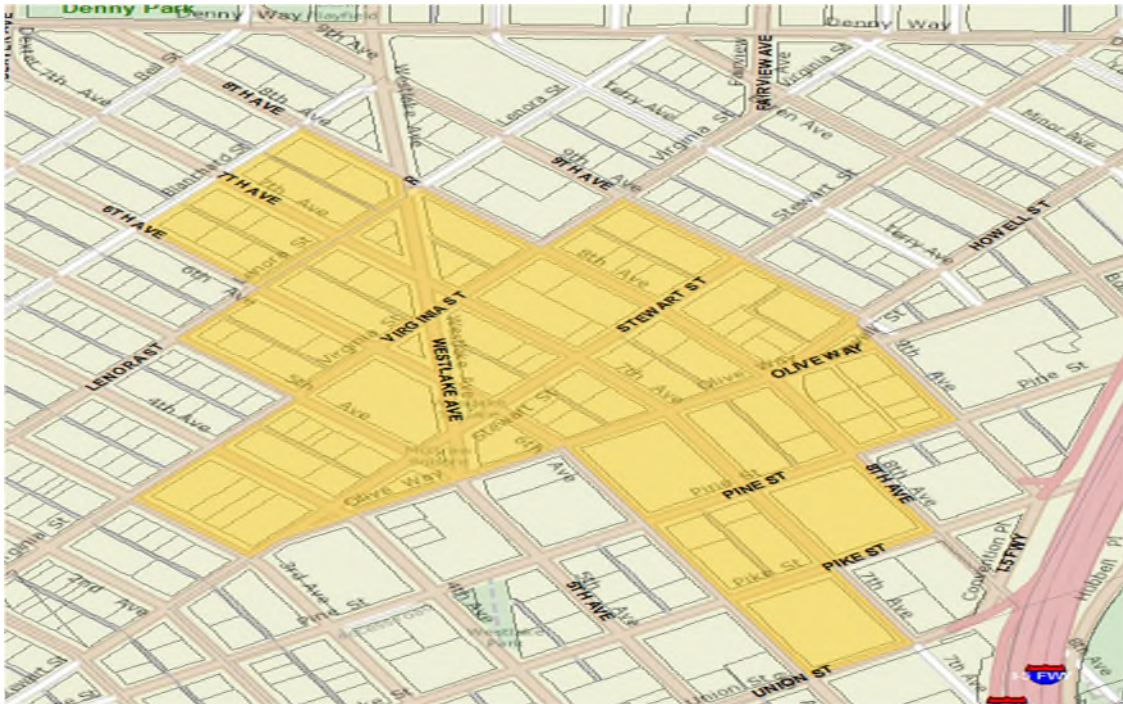
The zone classification was up-zoned 20 feet to allow a building height limit of 170 feet, coupled with significant retail requirements. This scaled-down zoning, at least in comparison to the surrounding zones, allows for an abundance of natural light, spaciousness and a casual/comfortable ambience.

Because of the increasing residences in the downtown core, several supermarket locations have opened in this and other downtown neighborhoods in the last several years. Retail demand had been fueled by the many newer condo residents in the surrounding

neighborhoods prior to the economic downturn in 2008. Now the retail demand is being fueled by the construction and occupancy of new apartment buildings in the surrounding neighborhoods. As a rule and even more so recently, this retail oriented neighborhood has been a low vacancy and high rent area. Vacancy is currently very low at 2.0% or less and rents have been trending upward for the last several years.

Downtown Office Core 2: Neighborhood 30-70

Boundaries: Neighborhood 30-70 is defined by its zone of DOC 2 500/300-500. It is bound on the northwest by Blanchard St., on the northeast by 9th Avenue, on the south by Union St. and on the southwest by 3rd Avenue. It is very irregular and its boundaries move in a zigzag pattern with the zoning. It is part of the Denny triangle area and extends west across Westlake Avenue.



Neighborhood Description: Neighborhood 30-70 can be considered as similar to the retail and office cores because parts of the uses in adjacent zonings spill into this zone. This area consists of mid to high-rise offices, hotels, condominiums, parking lots and retail structures. Most of the older existing retail and office buildings have been remodeled and/or renovated.

Amazon.Com purchased three city blocks in this neighborhood, in December of 2012 with plans to build three high-rise office complexes that would total approximately 1.1 million square feet per complex. Phase I (Block 14) was completed in December 2015 and Phase II (Block 19) was recently completed in November of 2016. Phase III (Block 20) has started construction and might be complete by the end of 2018.

Teutsch Partners completed, in February of 2015, their seven-story apartment complex, which is shown above, on the northwest corner of 9th Avenue and Pine Street. This project is unusual



in that it has used 5 steel and concrete transfer trusses, which span the length of the building, and transfer the entire building weight to the edges of the property and around the downtown transit tunnel. The tunnel is only five to eight feet below ground and runs beneath the building's footprint.

The R.C.Hedreen Co., which obtained the parcels to the whole-block site where the Greyhound Bus Terminal and other buildings had been located, are well under way on their 1264 room Hyatt Regency project and should be

complete sometime this year.

An \$11 million makeover was completed in December 2015 at '8th & Olive' and two new projects are under City review for the same block on 5th Avenue. Stanford Hotels purchased a site on the northwest corner of Stewart Street and 5th Avenue, in September 2013 with plans on building a 50-story tower with a hotel and apartments. Douglaston Development of New York purchased the old Icon Grill site and its two neighbors, in June 2015, on the north end of that same block with plans to develop a 45-story hotel and apartment tower. No permits have yet been issued.

An additional project is seeking approval; a 10-story office building at the northeast corner of 8th Avenue & Stewart Street. Here again, no permits have been issued to date.

This neighborhood may not be the busiest of the downtown neighborhoods but it certainly is sharing in the development boom going on in downtown Seattle.

Pike Place Market Historic District: Neighborhood 30-80

Boundaries: Pike Place Market Historic District is bound to the north by Lenora St., to the east by 1st Avenue, to the south by Union St. and to the west by the SR 99 viaduct and is defined by its zone of PPM-85.



Neighborhood Description: Seattle's Pike Place Market is the last farmer's market in the United States, which has not been modernized. It was established by an ordinance in 1907. By 1917, much of the Market we know today was constructed, which is known as the Economy Market, Corner Market, Sanitary Market, and the lower levels of the Main Market. In the 1920's and 1930's when farmers grew their produce closer to Seattle, there were many more farmers' stalls than there are now. Nevertheless, loss of these stalls has been made up by a greater variety of other vendors and retail outlets. In November of 1971, the people of Seattle, by initiative measure, voted to preserve the character and flavor of this market for all time.



Specifically, they established a seven-acre Pike Place Market Historical District to be administered by a twelve-member citizen commission with the aid and cooperation of the city's Department of Community Development and Dept. of Neighborhoods.

Today, remodeled and rehabilitated retail stores, apartments, hotels, as well as restaurants and newer mixed-use condominiums and apartments surround the public areas within the zone. The Pike Place Market is Seattle's number one tourist

attraction.

The guidelines for redevelopment are very similar to those described in the Pioneer Square and the International District sections and use restrictions are considered in valuation.



A “legacy levy” was approved by the City a number of years ago. It was designed to update the aging plumbing and electrical systems, make the ‘Market’ wheelchair accessible, create new restrooms and elevators, create seismic protection, add a new roof and create new retail space. This was estimated to cost about \$80M. This work took several years but was completed in 2012.

The Pike Place Market Preservation & Development Authority had their groundbreaking event on June 24, 2015, for ‘Pike Place Market Front’, a multi-level expansion of the market and a new entrance to the market from the waterfront, with housing, retail and a public plaza. It has been used for public parking located between Pike Place Market and the Alaskan Way viaduct. This \$73 million complex is being developed on the last piece of developable land in the market’s historic district and in partnership with the city’s waterfront project called Overlook Walk. The ‘Market Front’ is open but work is on-going.

Belltown: Neighborhood 30-90

Boundaries: The part of Belltown that is in Area 30-90 is bounded on the north by Denny Way, on the south by Lenora Street and Pike Place Market, on the west by Elliott Avenue, and on the east by Fifth Avenue.



Neighborhood Description: Belltown is a mixed use neighborhood between downtown and the Seattle Center. It is a popular night life spot, has a wide variety of retail shops, great restaurants and a number of bars and clubs to enjoy live music or dancing. It is a vibrant, high pedestrian traffic neighborhood with a number of residential high rise office, condo, hotel and apartment buildings and offers proximity to the Seattle waterfront. According to the Downtown Seattle Association, from 2000-2012, Belltown has had the highest percentage of owner occupied units in the Downtown Neighborhoods and had the highest incomes and highest education levels Downtown. The proximity to Pike Place Market, other retail shops, the waterfront, the Seattle Center, and downtown employment, has shaped Belltown into an 18 hour, in-city neighborhood.

Belltown is a major portion of Seattle's historic Denny Regrade area. Historically Belltown was a neighborhood of apartments, rooming houses, union halls, and marginal businesses in proximity to the city center. In the mid 1970's the city approved new zoning to encourage construction of a mid to high rise residential district. In the late 1980's and 1990's as the regional economy grew, development in Belltown accelerated. Condominiums, apartment buildings, retail, restaurants, and mid-rise office buildings were built. Then with the economic slowdown in the early 2000's, sales of commercial development sites were few and new construction slowed virtually to a halt.

The zone classifications for Belltown are Downtown Mixed Residential (DMR), designated as Downtown Mixed Residential/Residential (DMR/R) or Downtown Mixed Residential/Commercial (DMR/C). The Downtown Mixed Commercial (DMC) zoned parcels are located near the north boundary. These designations have a building height limit that ranges from 45 feet to 280 feet.

Strong sales activity with the development of mixed use residential (condominium and apartment) buildings returned in the mid-2000. At that time, developments included the opening of the Olympic Sculpture Park and the completion of a number of residential mixed use apartment or condominium projects including 'The Parc', 'Mosler Lofts' and 'Gallery Belltown'. With the economic shutdown in late 2008, development became non-existent.

One recent community development occurred when the City of Seattle revamped a four block section of Bell Street between 1st and 5th Avenues to create Bell Street Park. It is a 56,000 square foot park space created by converting one lane of traffic to public recreational space and reconfiguring parking to create a linear open space with landscaping, lighting and pedestrian amenities. All four phases were completed in April 2014.

Since 2012, however, commercial development has been brisk. In late 2014 four projects were delivered; The Joseph Arnold Lofts; the Arthouse Apartments; the 'Dimension' tower; and the 'Verve'. These were all apartment buildings and delivered a combined 729 residential units to the neighborhood. In 2015, the Walton Lofts were completed for an additional 136 apartment units.

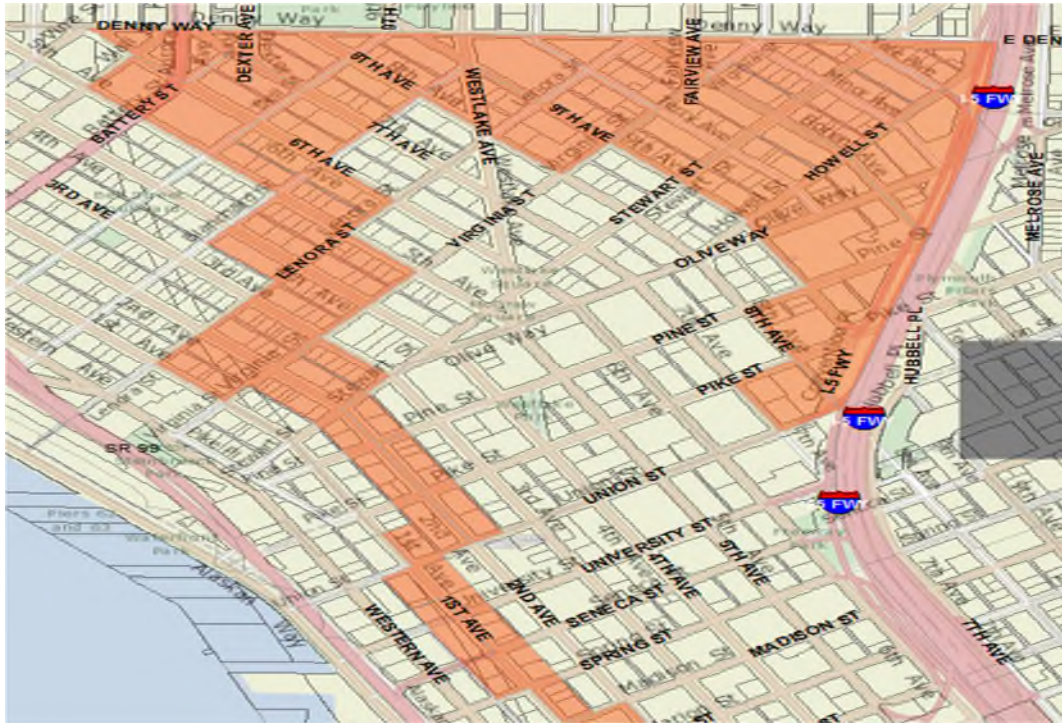
There was a lull last year but a lot is currently in progress. There is a 3-story, 40,600 square foot, office building under construction now, and nearing completion, at 2400 3rd Avenue. Additionally there are 8 permitted apartment projects for 1,291 residential units and 9 more apartment projects seeking approval from the City for a combined 965 units.

A rendition of one of the permitted projects is shown below. The new building, called ‘Minnie Flats’, is a six-story, mixed use building with 82 residential units, and 2,642 SF of commercial space with no parking spaces proposed. This is a great example of how a small, triangular lot, 5,811 square feet in size, can be redeveloped. This project was actually finalized by the City in February of 2017.



Downtown Mixed Commercial / Denny Triangle: Neighborhood 30-100

Boundaries: Neighborhood 30-100 is bound on the north by Denny Way, on the east by I-5, to the southeast by Union St., to the southwest by Madison St. and to the west by Post Alley. This neighborhood is characterized by DMC 240/290-400 and DMC 340/290-400 zoned land. It wraps around the DOC 2, DRC & part of the DOC 1 zoned neighborhoods creating a stepped height limit from those zones encouraging a pleasing shape to the city skyline.



Neighborhood Description: Neighborhood 30-100 encompasses much of the Denny Triangle area where there are mixed-use condos, offices, retail stores, auto services, two colleges, hotels, and apartments with many new apartment buildings being built or planned.

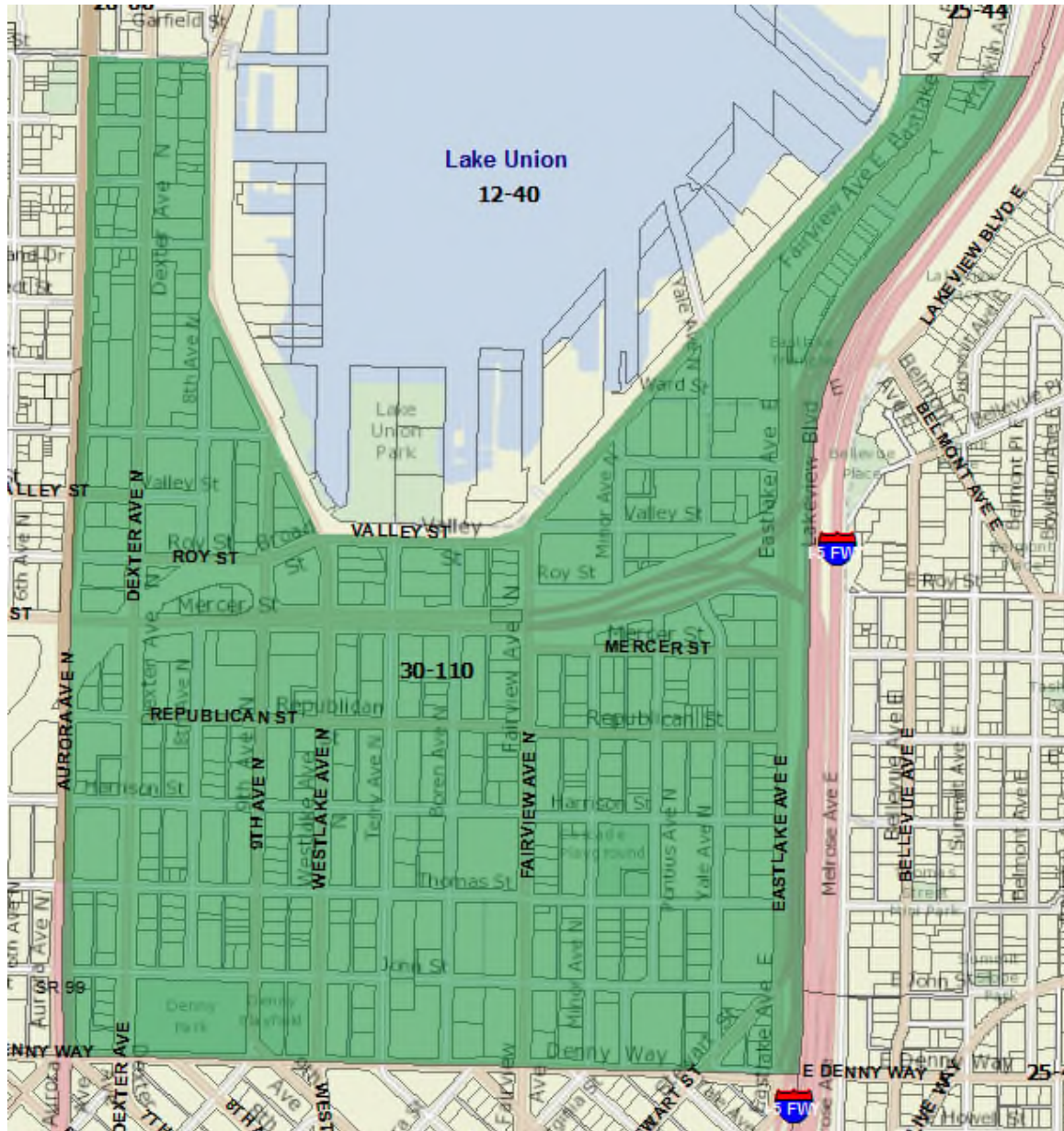
Area 30-100's zoning allows for a great variety of uses. It is now in the process of revitalization with 41 planned projects, 19 of which are already permitted. Also, Cornish School of Arts has increased its presence with the purchase of several land parcels for future as well as current development. Cornish is in the process of moving their campus from Capitol Hill to this neighborhood.

Quite a few projects have been recently delivered. Completed early in 2014 were the Viktoria Apartments, a 24-story, 249 unit, building in the 1900 block of 2nd Avenue as well as the 815 Pine Apartments (Premier On Pine), a 42-story, 386 unit apartment building across the street, west from the Paramount Theater, which is shown above while it was still under construction. These two projects are the ones that started the downtown building boom. In late August of 2015, Cornish opened a new 20-story residence hall and academic building on the southwest corner of Terry Avenue and Lenora Street. The whole block, twin tower development known as “Insignia”, in the 2300 block between 5th and 6th Avenues, was partially complete in 2015 and completely finished in early 2016. Also completed in 2015 was the Hill7 hotel and office complex at Stewart and Boren. The 21-story, Midtown21 office building was delivered in late 2016 and the 36-story, Tilt49 office/hotel project was completed in late 2017. Also, the whole-block, 1,264 room Hyatt Regency will be completed this year.

As previously mentioned, there are still many other projects already permitted. The permitted projects are for additional apartment units, hotel rooms, office space and a 409,000 square foot biotech research building. Also, a \$1.4B convention center addition, which has already begun construction, is expected to be completed in 2020. This neighborhood, in downtown Seattle, is surpassed in construction activity only by the South Lake Union neighborhood.

30-110 South Lake Union

Boundaries: Neighborhood 30-110 is bound on the north by Galer St. and Lake Union, on the east by Interstate 5, on the south by Denny Way and on the west by Aurora Avenue N. It is the geographic center of Seattle. Area 30-110 is highlighted in green on the following map.



Neighborhood Description: South Lake Union is a neighborhood in transition. Historically called the Cascade Neighborhood, residential use had declined since the 1950's when zoning changes limited new residential uses and promoted light manufacturing uses. Construction of I-5 in the 1960's cut off the neighborhood from the west portion of Capitol Hill. In the late 1980's the in-close location attracted the attention of several biotech and high tech companies.

Fred Hutchinson Cancer Research Center, and later Zymogenetics located in the northeast sector of the neighborhood, while in the southeast sector REI relocated their flagship store in 1995. In the mid 1990's the concept of the 74 acre "Seattle Commons" park was defeated twice by city voters.

Subsequently, the City of Seattle and developers including Vulcan Real Estate (who has accumulated 60 acres), have put in place development plans that are transforming the South Lake Union neighborhood into a new commercial/residential neighborhood. The initial focus on biotech and biomedical research has evolved into a variety of commercial uses, including new single tenant and multi-tenant office buildings.

In 2004, Seattle's Comprehensive plan update designated South Lake Union as an Urban Center to recognize the expected growth. Under the new targets, the Comprehensive Plan called for 16,000 new jobs and 8,000 new households to be added to the neighborhood between 2004 and 2024. There is zoning capacity for over 8,000,000 square feet of commercial space. Actual development and job growth in the neighborhood is outpacing the growth analysts forecast for the neighborhood despite the economic downturn from 2008 to 2012.

Changes in the zoning regulations now allow higher building heights to accommodate the mechanical equipment required for biotech buildings. In December 2007 a spot rezoning was approved that increased the building heights of a two block area allowing a 12-story office building height for the last phase of the Amazon.com campus project. The City of Seattle Department of Planning and Development followed through on its up-zoning of South Lake Union that permits various greater development heights for both commercial and residential buildings. The potential change was presented in mid- 2012 and went into effect in 2013. This change has already added an entirely new level of change with regard to the number of projects happening in the neighborhood. Now the zoning allows 240 foot heights up to 400 between Denny Way and John St. Height limits from the east side of Fairview Ave N to Aurora and south of Mercer Street allow 160 foot heights up to 240 feet. The Cascade neighborhood north of John St, west of Eastlake Avenue E, south of Mercer St. and east of Fairview Ave N, have height limits of 55/65 feet up to 85 feet with emphasis on residential development. From Mercer St to the lake, the height limits are graduated down to 40 feet.

Recent neighborhood infrastructure improvements include the South Lake Union Streetcar which connects the neighborhood to downtown Seattle, the completion of the twelve acre Lake Union Park and the reconfiguration of the Mercer Street Corridor from a one-way street into a two-way, 6-lane boulevard. Plans for a new City Light substation at the former Greyhound garage site along Denny Way is underway but not yet completed.

In 2011 the South Lake Union area became the first neighborhood in the state to be LEED certified with nearly 35% of South Lake Union's total square footage comprised of energy efficient LEED buildings.

This neighborhood has been nothing less than transformed in recent years. The largest influence has definitely been the development of the 11-building Amazon campus comprising 1.7 million square feet of Class A, high-tech office space. This development has spurred many

apartment projects as developers see the young, well paid work force wanting to live close to work in the increasingly urban environment of this neighborhood.



Amazon is not the only group investing in this neighborhood. The Fred Hutchinson Cancer Research Center is located here and the future expansion of the (FHCRC) is in the planning stage. FHCRC has released a proposal to double in size over the next twenty years, adding up to seven buildings with more than 1,000,000 SF to its campus.

The University of Washington South Lake Union Research Campus is also located here, on the south side of Mercer Street and is continuing to expand.



On the north side of Mercer Street but a block east is the ‘Allen Institute for Brain Science’. That building, shown to the left, was completed in October of 2015 and Vulcan Development has recently purchased additional land for future expansion.

Last year, there were 78 construction projects permitted or under guidance or review by the Seattle Development and Planning Department. At least three office buildings were delivered last year with more office space being proposed. Two hotel complexes are under construction and are expected to be delivered this year. Also still planned is laboratory and high-tech office space, not to mention thousands of apartment units. All this is, of course, in addition to all the already delivered development, such as in excess of 1,000 apartments in the last two years. This is, however, the area of good paying job growth which keeps fueling all the other development.

This is a tremendous amount of development and is what is making the South Lake Union neighborhood the fastest developing and most economically active neighborhood in the nation. It unquestionably has the most construction activity in the nation.

Physical Inspection Identification:

This year, the last two-thirds of neighborhood 30-100, 170 parcels, were inspected. WAC 458-07-015 requires each property to be physically inspected at least once during a 6 year revaluation cycle. At a minimum, an exterior observation of the properties is made to verify the accuracy and completeness of property characteristic data that affect value. Property records are updated in accordance with the findings of the physical inspection.

Scope of Data

Land Value Data:

Vacant sales from 1/1/15 to 12/31/17 were given primary consideration for valuing land. Improved sales with demolition, new construction and renovation activities after the sale date represent tear down, “shell” sales or interim use sales. Those sales are analyzed to reflect improvement contributions or demolition costs to overall price, where appropriate, thereby indicating the value allocation to the land. Sold properties with existing entitlements, such as plans and permits, are also analyzed to reflect entitlement contributions to overall price, once again indicating the value allocation to the land.

Improved Parcel Total Value Data:

Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. 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. Sales are listed in the “Sales Used” and “Sales Not Used” sections of this report. Additional information resides in the Assessor’s procedure manual located in the Public Information area of the King County Administration Building.

Land Value

Land Sales, Analysis, Conclusions

There were 63 sales, within Area 30, that occurred in 2015, 2016 and 2017, and are displayed on the “Vacant Sales for Area 30 with Sales Used” list, that are considered in the Area 30 land valuation analysis.

The neighborhoods within Area 30 are typically distinguished by their predominant zone classification with the exception of neighborhoods 30-90 and 30-110. These two recently added neighborhoods are comprised of multiple zones. In analyzing the sales in Area 30, subject neighborhood and zoning were considered first. Downtown Seattle zonings are unique in the county and permit the highest densities.

The 2017 sales showed a continued increase in values compared to sales in the prior two years. As a result, land values in all neighborhoods were increased from a low of 8.49% to a high of 20.51% with an overall land value increase for Area 30 of 14.51%, as shown in the Chart below.

Change in Assessed Land Value by Neighborhood			
Neighborhood	2017 Land Value	2018 Land Value	%Change
30-10	\$457,963,300	\$550,544,600	20.22%
30-20	\$587,483,800	\$707,975,700	20.51%
30-30	\$453,405,500	\$509,295,100	12.33%
30-40	\$2,199,354,200	\$2,385,987,700	8.49%
30-50	\$258,836,100	\$284,914,100	10.08%
30-60	\$455,344,500	\$500,938,800	9.09%
30-70	\$1,615,356,600	\$1,800,549,800	11.46%
30-80	\$158,666,000	\$176,579,100	11.29%
30-90	\$1,918,371,000	\$2,190,986,700	14.21%
30-100	\$2,836,572,200	\$3,210,869,500	13.20%
30-110	\$3,762,726,900	\$4,519,733,700	20.12%
Total	\$14,704,080,100	\$16,838,374,800	14.51%

30-10 – International District / 30-20 – Pioneer Square District

The Seattle City Council adopted new zoning changes for portions of south downtown in April 2011. These changes took place in neighborhoods 10 and 20, the International District and Pioneer Square respectively. The changes allowed taller residential buildings in certain areas and were meant to spur development of market rate housing and attract more in-city residents. The Seattle City Council once again raised the height limits for several zones in the International District, neighborhood 30-10, in 2017. In the last three years, there have been

five sales in these two neighborhoods. While no market representative land sales took place in 2015, three sales took place in 2016 and two sales took place in 2017. The five sales were for considerably more money than the assessed values and resulted in increased assessed values, in both neighborhoods 10 and 20, again this year. The parcels fronting Alaskan Way are valued higher than the other parcels in neighborhood 20 due to the market's expectation of the removal of the Alaskan Way Viaduct in the foreseeable future. These fronting parcels are contained in zones, PSM 85-120, PSM 100/100-120 and PSM 100/100-130. The two highest unit value sales took place in one of these zones.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP/Ld. Area	Zone
030	010	524780	1461	14,400	2810932	\$5,500,000	07/22/16	\$381.94	IDR/C 125/150-240
030	010	524780	1525	14,400	2813306	\$4,400,000	07/28/16	\$305.56	IDR 45/125-240
030	010	524780	2000	14,400	2898818	\$5,750,000	11/01/17	\$399.31	IDR 170
030	020	524780	0150	20,766	2814119	411,669,562	08/05/16	\$561.96	PSM 100/100-120
030	020	766620	2575	8,849	2899506	\$4,535,000	11/01/17	\$512.49	PSM 100/100-130

30-30 – Downtown Mixed Commercial / 30-40 – Downtown Office Core 1

No sales occurred in neighborhood 30-30 in the last three years. One sale occurred in neighborhood 30-40 in 2015. On this high valued sale property, an approximately 100 story building is now being proposed. The current construction activity in neighborhood 40 is being done on property that was purchased back in 2006 and 2007.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Zone
030	040	094200	0615	28,560	2756821	\$49,252,800	09/18/15	\$1,724.54	DOC1 U/450/U

30-50 – Downtown Mixed Commercial / 30-60 – Downtown Retail Core

30-80 – Pike Place Market Historic District

Only one sale took place in these three neighborhoods in the last three years and that was for land underneath an existing hotel and associated parking garage.

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Zone
030	060	065900	0030	8,120	2723402	\$20,000,000	04/09/15	\$2,463.05	DRC 85-150

30-70 – Downtown Office Core 2

One sale took place in the last three years in neighborhood 70. In June of 2016, three contiguous, and marginally improved, parcels on 5th Avenue were purchased for redevelopment. The sale transacted in excess of \$1000.00 per square foot. To date no development has started.

Area	Nbhd	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Zone
030	070	065900	0430	16,200	2734083	\$16,237,700	06/01/15	\$1,002.33	DOC2 500/300-500

30-90 – Belltown

Eleven sales took place in the last three years in neighborhood 90. Sales activity in this neighborhood, have been consistent, with four sales in 2015, four sales in 2016 and three sales in 2017. Because of the diversity of zoning, the sales value range is wide with a low sale of \$325.27 per square foot and a high sale of \$1,111.11 per square foot.

Area	Nbhd	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Zone
030	090	065600	0141	25,492	2790168	\$24,000,000	04/14/16	\$941.47	DMR/R 240/65
030	090	065600	0230	6,615	2901783	\$3,400,000	11/18/17	\$513.98	DMR/C 95/65
030	090	065600	0245	6,480	2799885	\$4,950,000	05/26/16	\$763.89	DMR/R 85/65
030	090	065600	0255	16,208	2848042	\$14,300,000	02/09/17	\$882.28	DMR/R 125/65
030	090	065600	0390	12,960	2832092	\$7,600,000	10/31/16	\$586.42	DMR/R 240/65
030	090	069400	0035	6,480	2722960	\$4,557,400	03/26/15	\$703.30	DMR/R 85/65
030	090	069400	0100	6,480	2738884	\$2,721,600	06/16/15	\$420.00	DMR/R 125/65
030	090	069500	0205	5,890	2738003	\$1,915,850	06/09/15	\$325.27	DMC-65
030	090	069600	0070	19,440	2897012	\$21,600,000	10/23/17	\$1,111.11	DMR/C 280/125
030	090	197720	0165	11,293	2824667	\$6,700,000	09/28/16	\$593.29	DMR/C 85/65
030	090	197720	0505	21,600	2752964	\$8,000,000	08/27/15	\$370.37	DMR/C 85/65

30-100 – Downtown Mixed Commercial

This neighborhood has had the second most sales activity of all the downtown neighborhoods in the last three years with sixteen land sales. The purchases were primarily for development sites and many of these sold sites now have development, underway or planned. The projects are for apartments, hotels and offices or a combination of these uses.

Area	Nbhd	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Zone
030	100	065900	0985	6,480	2753444	\$4,700,000	09/01/15	\$725.31	DMC 240/290-400
030	100	065900	1000	16,200	2813297	\$22,803,067	08/01/16	\$1,407.60	DMC 240/290-400
030	100	066000	0005	6,480	2830858	\$7,999,900	10/18/16	\$1,234.55	DMC 240/290-400
030	100	066000	0395	9,878	2829689	\$8,344,430	10/24/16	\$844.75	DMC 240/290-400
030	100	066000	0510	5,845	2720724	\$4,225,000	03/24/15	\$722.84	DMC 240/290-400
030	100	066000	2115	9,960	2790923	\$8,500,000	04/15/16	\$853.41	DMC 240/290-400
030	100	066000	2264	54,720	2758694	\$52,910,775	09/30/15	\$966.94	DMC 240/290-400
030	100	066000	2325	14,400	2793130	\$14,950,000	04/29/16	\$1,038.19	DMC 240/290-400
030	100	069700	0265	32,400	2758786	\$24,836,500	09/30/15	\$766.56	DMC 240/290-400
030	100	069700	0370	10,700	2827704	\$12,960,000	10/11/16	\$1,211.21	DMC 240/290-400
030	100	197720	0015	8,748	2801028	\$10,600,000	06/03/16	\$1,211.71	DMC 240/290-400
030	100	197720	0875	6,660	2902498	\$6,000,000	11/15/17	\$900.90	DMC 240/290-400
030	100	197720	0925	19,440	2839826	\$18,066,200	12/14/16	\$929.33	DMC 240/290-400
030	100	197720	1040	6,480	2715179	\$6,532,400	02/24/15	\$1,008.09	DMC 240/290-400
030	100	197720	1045	6,480	2728682	\$7,597,200	05/06/15	\$1,172.41	DMC 240/290-400
030	100	197720	1215	6,480	2807600	\$4,850,000	06/23/16	\$748.46	DMC 240/290-400

30-110 – South Lake Union

The largest number of sales took place in neighborhood 110. There were twenty-six transactions in the last three years. In 2015 there were fifteen sales. In 2016 there were five sales and in 2017 there were another six sales. All appeared to be for redevelopment. Just like neighborhood 30-90, because of the diversity of zoning, the sales value range is wide with a low sale of \$338.14 per square foot and a high sale of \$900.21 per square foot.

Area	Nbhd	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Zone
030	110	198320	0230	19,440	2769638	\$17,500,000	12/03/15	\$900.21	SM-SLU 160/85-240
030	110	198320	0540	27,614	2755655	\$13,101,625	09/10/15	\$474.46	SM 160/85-240
030	110	198320	0605	58,787	2766289	\$38,372,708	11/12/15	\$652.74	SM 160/85-240
030	110	198620	0085	12,720	2770336	\$10,600,000	12/07/15	\$833.33	SM-SLU 160/85-240
030	110	198620	0160	7,200	2773614	\$4,600,000	12/28/15	\$638.89	SM-SLU 160/85-240
030	110	198620	0165	7,200	2776385	\$3,600,000	01/15/16	\$500.00	SM-SLU 160/85-240
030	110	198620	0175	21,600	2712029	\$11,720,000	01/30/15	\$542.59	SM 160/85-240
030	110	198620	0310	28,200	2718974	\$20,376,000	03/12/15	\$722.55	SM 240/125-400
030	110	198820	1285	44,638	2713148	\$19,033,790	02/05/15	\$426.40	SM 160/85-240

030	110	199120	0870	105,066	2713791	\$50,397,068	02/13/15	\$479.67	SM 160/85-240
030	110	199120	1210	5,984	2819855	\$4,376,000	08/26/16	\$731.28	SM-SLU 160/85-240
030	110	199120	1225	12,000	2817984	\$7,200,000	08/25/16	\$600.00	SM-SLU 160/85-240
030	110	199120	1335	14,400	2871140	\$9,075,000	06/16/17	\$630.21	SM-SLU 175/85-280
030	110	199120	1360	7,200	2860000	\$5,442,260	04/21/17	\$755.87	SM-SLU 160/85-240
030	110	199120	1400	3,600	2850687	\$1,500,000	02/28/17	\$416.67	SM-SLU 85-240
030	110	224900	0265	12,152	2710178	\$4,250,000	01/16/15	\$349.74	SM 160/85-240
030	110	224900	0425	8,350	2892033	\$5,467,575	09/28/17	\$654.80	SM-SLU 100/95
030	110	246740	0085	4,800	2901926	\$4,050,000	11/09/17	\$843.75	SM-SLU 175/85-280
030	110	246740	0236	3,600	2743157	\$1,500,000	07/10/15	\$416.67	SM/R 55/85
030	110	246740	0285	36,000	2714509	\$16,070,180	02/05/15	\$446.39	SM/R 55/85
030	110	338690	0030	12,826	2773937	\$4,500,000	12/08/15	\$350.85	SM-85
030	110	338690	0040	6,413	2848737	\$2,400,000	02/15/17	\$374.24	SM-85
030	110	338690	0070	50,160	2738424	\$16,961,210	06/23/15	\$338.14	SM-85
030	110	408880	3440	29,396	2712889	\$10,500,000	02/06/15	\$357.19	SM-85
030	110	408880	3485	22,581	2802868	\$10,161,450	06/15/16	\$450.00	SM-85
030	110	408880	3565	14,030	2784434	\$7,500,000	03/09/16	\$534.57	SM-85

The following is a table used in the finalization of land valuation for each of the zone classifications.

Neighborhood	Zone Designation	Land Value / SF
10	IDM 65-150	\$225
10	IDM 75-85	\$195
10	IDM 85/85-170	\$240
10	IDM 165/85-170	\$240
10	IDR 170	\$240
10	IDR 45/125-270	\$300
10	IDR/C 125/150-270	\$300
10	DMR/C 75/75-95	\$195
20	PSM 85-120	\$320-\$450
20	PSM 100	\$305
20	PSM 100/100-120	\$320-\$450
20	PSM 100/100-130	\$320-\$450
20	PSM 100/120-150	\$330
20	PSM 245	\$540
30	DMC 340/290-400	\$925
40	DOC1 U/450/U	\$1200
50	DMC 145	\$375
50	DMC 170	\$415
60	DRC 85-170	\$600
70	DOC2 500/300-550	\$1100
80	PMM-85	\$295

90	DMC 75	\$380/ \$425
90	DMC 95	\$480
90	DMR/C 95/65	\$415/ \$455/ \$475
90	DMR/C 95/75	\$475
90	DMR/C 145/75	\$280/ \$560
90	DMR/C 280/125	\$700
90	DMR/R 145/65	\$410/ \$470/ \$495
90	DMR/R 280/65	\$660
90	C2-55	\$240
90	DH 1/45	\$10/ \$82.50/ \$110
90	DH 2/55	\$330
90	DH 2/75	\$425
90	DH 2/85	\$470
100	DMC 145	\$455
100	DMC 240/290-440	\$925
100	DMC 340/290-440	\$925
110	C1-65	\$255
110	IC-45	\$235
110	SM-SLU 100/95	\$475
110	SM-SLU 145	\$500
110	SM-SLU-100/65-145	\$395/ \$445/ \$500
110	SM-SLU-85/65-160	\$510
110	SM-SLU-85-280	\$495/ \$660
110	SM-SLU-175/85-280	\$690
110	SM-SLU-240/125-440	\$658.75/ \$697.50/ \$775
110	SM-SLU/R 65/95	\$360/ \$420/ \$450

Zone Description; all followed by height limit

IDM = International District Mixed (use)

IDR = International District Residential

IDR/C = International District Residential/Commercial

PSM = Pioneer Square Mixed

DMC = Downtown Mixed Commercial

DOC1 = Downtown Office Core 1

DRC = Downtown Retail Core

DOC2 = Downtown Office Core 2

PMM = Pike Market Mixed

DMR/C = Downtown Mixed Residential/Commercial

DMR/R = Downtown Mixed Residential/Residential

C2 = Commercial 2

DH1 = Downtown Harborfront 1

DH2 = Downtown Harborfront 2
C1 = Commercial 1
IC = Industrial Commercial
SM = Seattle Mixed
SM-SLU = Seattle Mixed-South Lake Union
SM-SLU/R = Seattle Mixed-South Lake Union/Residential

In addition to the adjustments made for the reasons stated on the preceding pages, an attempt to recognize additional development rights over and above the rights commensurate with the zoning classification was made. Many lots have transferred development rights (TDR's) to other parcels thereby reducing or eliminating the potential for development on one parcel and increasing the density of development on another parcel. The Assessor has recognized these increases and decreases to development potential by recognizing the amount of TDR's transferred. A list of affected properties (sending lots and receiving lots) was provided by the City of Seattle. Please note, in some instances parcels have sold TDR's to the "city bank", but those rights have not yet been transferred to another parcel. In these instances the Assessor recognizes fewer rights associated with the sending parcel, but does not recognize additional development rights on another parcel as the rights have not been transferred to another parcel yet, but rather remain available for purchase from the "city bank".

Land Value Comparisons and Recommended Conclusions:

The total land assessed value for the 2017 assessment year for Area 30 was \$14,704,080,100 and the total land assessed value for the 2018 assessment year is \$16,838,374,800. Application of these recommended values for the 2018 assessment year (taxes payable in 2019) results in a change from the 2017 assessment of + 14.51%.

A list of vacant sales used and those considered not reflective of market value are included in the subsequent sections.

Preliminary Ratio Analysis

The sales ratio study is an important assessment tool used to ensure that properties are accurately assessed based on market value. This analysis utilizes statistical methods to measure the relationship between a property's assessed value and its sale price. This data can be used to review current assessment levels, identify inequities that need to be addressed, and assist in revaluation model development. A Ratio Study was completed just prior to the application of the 2017 recommended values. This study benchmarks the current assessment level and uniformity using 2016 posted values.

The two major aspects of appraisal accuracy, appraisal level and appraisal uniformity are measured and evaluated using the ratio study. Appraisal level is a measure of the ratio of assessed value to sales price, while appraisal uniformity refers to the degree to which properties are appraised at equal percentages of market value. The International Association of Assessing Officers (IAAO) has developed performance standards to evaluate both the appraisal level and uniformity.

Assessment level is based on measures of central tendency. The weighted mean is the ratio derived from the average assessed value divided by the average sale price of the entire sample. The weighted mean gives equal weight to each dollar of value in the sample, whereas the median and mean give equal weight to each assessed value/sale price ratio. The weighted mean is also used in computing the price related differential (PRD), a measure of uniformity between high-valued and low-valued properties.

The IAAO performance standards state that the weighted mean ratio should be between 0.90 and 1.10. The preliminary ratio study for Area 30 shows a weighted mean ratio of 85.8 which is below the IAAO guidelines. This indicates that the current assessment level, as measured, including the most recent year's sales, needs to be increased.

Assessment Uniformity is the measure of dispersion or variability of the assessment/sale price ratios. The most generally useful measure of uniformity is the Coefficient of Dispersion (COD). The COD measures the average percentage deviation of the ratios from the median ratio.

The IAAO performance standards state that the COD should be between 5.00% and 20.00% for income producing property in smaller, rural jurisdictions and between 5.00% and 15.00% for larger urban market areas such as the subject area. The preliminary ratio study for Area 30 shows a COD of 16.92% which is in excess of the IAAO guidelines. This indicates that the current level of assessment uniformity as measured, including the most recent year's sales, needs to have its average dispersion reduced to fall within the acceptable range.

A second measure of uniformity utilized in the ratio study is the Price Related Differential (PRD). The PRD provides a measure of price related bias, or the equity between low and high priced property.

The IAAO performance standards state that the PRD should fall between 0.98 and 1.03. A value below 0.98 would indicate progressivity in the data where assessment levels increase with increasing sales prices. Values above 1.03 indicate regressivity in the data where assessment levels decrease with increasing sales prices. The preliminary ratio study for Area 30 shows a PRD of 1.02 which displays regressivity in the assessment levels.

The results of the preliminary ratio study indicate that the average assessment level is not acceptable and needs to be increased, by increasing property values. The measures of assessment uniformity are, likewise, not acceptable and indicate the need for improvement.

These results are based on a limited number of sales, however, that is not representative of the entire geo-area population. For most property types, the sales sample is insufficient to draw direct conclusions from the ratio study. All of the recent sales are used for guidance, and as a test for the income model.

Improved Parcel Total Values:

Sales comparison approach model description

All sales were verified with a knowledgeable party and inspected, when possible. The model for the sales comparison approach was based on characteristics from the Assessor's records including location, effective age, building quality and net rentable area. Sales with characteristics most similar to the subject properties were considered.

The improved sales used in the sales comparison approach range in sale dates from 1/02/2015 to 12/01/2017. There were 63 improved sales in Area 30 that were considered fair market transactions and used in the overall analysis. Sales of parcels that were segregated/killed, or where the improvements changed after the sale, were not included in the ratio study. When necessary, sales of similar property types from other market areas were considered.

Commercial condominium units were typically valued by the sales comparison approach since these units are typically purchased by owner-users and generally would not rent for amounts that would support their sale prices. Other non-specialty commercial properties were typically valued using the income approach as fewer comparable sales of each property type were available. The improved sales used were referenced when developing the economic income parameters and capitalization rates for the income models used within each neighborhood and property type.

The following table summarizes the value parameters used for valuation in area 30. Some properties require deviation from the typical value range due to issues including, but not limited to, location, size and condition and appraiser judgment. The more recent commercial condominium sales have continued to show increasing values.

<u>Property Type</u>	<u>Sales Range</u>
Commercial Condos	\$295.28 to \$869.28 per sq. ft.

Sales Comparison Calibration

Neighborhoods were treated independent of one another as dictated by the market. Individual values were applied based on various characteristics deemed appropriate within each market on a dollar value per square foot of improved net rentable area. Specific variables and price ranges for neighborhoods were discussed in general detail above. Given the relatively low sales count per property type during this most recent economic period, applicability of Sales Comparison was considered limited for broad valuation purposes.

Cost approach model description

Cost estimates are automatically calculated via the Marshall & Swift Valuation modeling system. Depreciation was based on studies done by Marshall & Swift Valuation Service. The cost was adjusted to the western region and the Seattle area. Cost estimates were relied upon in the valuation of schools, churches, museums and most buildings in special/public/governmental use.

Cost calibration

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

Income capitalization approach model description

The Income Approach was the primary method utilized for income producing properties throughout Area 30. Income parameters were derived from the market place through the sales listed as well as through market surveys, appeals and available publications. This information along with other sources was relied upon in the estimation of market value via the Income Approach to valuation.

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

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

Expenses: Expense ratios were estimated based on industry standards, published sources, and personal knowledge of the area's rental practices. Within our income valuation models, the assessor used triple net expenses for typical retail/mixed-use & industrial type uses. For typical office/medical buildings, the assessor used full service expenses within the valuation models.

A list of published capitalization rates are including in the following section:

43 | Page

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
ACLI	4Q 2017	Seattle – Bellevue - Everett MSA	N/A	N/A	6.61%	All Classes
		Pacific Region	5.67%	5.54%	6.19%	All Classes

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

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Multifamily	Hospitality	Remarks	
CBRE: U.S. Cap. Rate survey. Advance Review	H2 2017	Seattle	4.25% - 4.75%	-	Infill – Class A	
			4.50% - 5.00%	-	Infill – Class A – Value Added	
			4.75% - 5.25%	-	Infill – Class B	
			5.00% - 5.50%	-	Infill – Class B – Value Added	
			5.50% - 6.00%	-	Infill – Class C	
			5.25% - 6.00%	-	Infill – Class C – Value Added	
			4.75% - 5.00%	-	Suburban – Class A	
			4.75% - 5.25%	-	Suburban – Class A – Value Added	
			5.00% - 5.25%	-	Suburban – Class B	
			-	-		

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

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

SEATTLE / REGIONAL CAP RATES					
Source	Date	Location	Multifamily	Hospitality	Remarks
			-	6.75%	Full Service
PWC / Korpaz Real Estate Investor Survey	4Q 2017	Pacific Region	3.50% - 6.00%	-	Apartments

NATIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
RERC: Real Estate Report Income Vs. Price Realities	4Q 2017					1 st Tier properties are defined as new or newer quality const. in prime to good location
		National	4.50% -6.50% 5.50% - 7.50% - - - - - -	- - 4.50% - 7.20% 5.50% - 7.30% 6.50% - 7.30% - - -	- - - - - 5.00% - 7.00% 6.00% - 6.80% 5.30% - 7.00%	Office CBD – 1 st Tier Properties Suburban Office – 1 st Tier Properties Warehouse – 1 st Tier Properties R&D – 1 st Tier Properties Flex – 1 st Tier Properties Regional Mall – 1 st Tier Properties Power Center – 1 st Tier Properties Neigh/Comm. Ctrs. – 1 st Tier Properties
IRR: Viewpoint 2018 Commercial Real Estate Trends report	Yr. End 2017	National	6.68% 7.53% 7.04% 7.83% - - - -	- - - - 6.69% 7.44% - -	- - - - - - 6.67% 6.82% 6.96%	<u>Institutional Grade Properties</u> CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B Industrial Flex Industrial Regional Mall Community Retail Neighborhood Retail
ACLI	4Q 2017	National	5.61% 6.98% 6.23% 6.15% 5.35%	5.88% 7.08% 6.64% 6.59% 5.76%	5.97% 6.63% 6.80% 6.21% 5.62%	Overall Sq.Ft. - <50k Sq.Ft. - 50k – 100k Sq.Ft. – 100,001 – 200k Sq.Ft. – 200k+
PWC / Korpaz Real Estate Investor Survey	4Q 2017	National	3.50% - 7.50% 5.00% - 10.00% 4.50% - 10.00% 4.75% - 10.00% - - - -	- - - - 5.50% - 9.50% 4.00% - 6.90% - -	- - - - - - 4.00% - 10.00% 5.25% - 8.00% 4.00% - 9.50%	CBD Office Suburban Office Secondary Office Medical Office Flex/R&D Warehouse Regional Mall Power Center Neigh. Strip Centers
PWC / Korpaz Real Estate Investor Survey	4Q 2017	National	3.50% - 8.00% 4.20% - 10.00% 4.75% - 10.00% - - - - -	- - - - 3.30% - 6.90% 5.50% - 9.50% - -	- - - - - - 4.00% - 9.50% 5.25% - 9.00% 4.00% - 10.00%	U.S. CBD Office U.S. Suburban Office Medical Office U.S. Warehouse U.S. Flex/R&D U.S. Strip Shop Centers U.S. Power Centers U.S. Regional Malls
The Boulder Group: Net Lease Market Report	4Q 2017	National	7.00%	7.25%	6.07%	Overall (Average)

The preceding table demonstrates ranges of capitalization rates and trends that are compiled with information that is collected on a local, regional and national level. This information is reconciled with data specific to this real estate market to develop the income model. The range of capitalization rates in the income model reflects the variety of properties in this area.

Income approach calibration

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

An individual analysis was done for each neighborhood within area 30. Income parameters differed somewhat significantly from neighborhood to neighborhood in some instances and even within neighborhoods in others. A general description of the income parameters used in each neighborhood follows. Income Tables were used in all neighborhoods.

NEIGHBORHOOD 10: INTERNATIONAL DISTRICT	
RETAIL, RESTAURANTS	
LEASE RATE RANGE (NNN)	\$11.25-\$30.00
TYPICAL LEASE RATE (NNN)	\$15.25-\$23.75
VACANCY AND COLLECTION LOSS	4.5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	7.25% -9.25%
OFFICE	
LEASE RATE RANGE (NNN)	\$16.75-\$29.00
TYPICAL LEASE RATE (NNN)	\$18.75-\$24.75
VACANCY AND COLLECTION LOSS	9% - 11%
OPERATING EXPENSES	\$7.00-\$10.75
CAPTIALIZATION RATE RANGE	6.00% -8.00%
APARTMENTS, MULTI RESIDENCES ETC.	
LEASE RATE RANGE	\$9.75-\$22.50
TYPICAL LEASE RATE	\$11.75-\$20.50
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	40%
CAPTIALIZATION RATE RANGE	5.00% -6.00%
STORAGE	
LEASE RATE RANGE (NNN)	\$7.25-\$12.50
TYPICAL LEASE RATE (NNN)	\$7.25-\$11.25
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	7.0%
CAPTIALIZATION RATE RANGE	6.75% -7.50%

NEIGHBORHOOD 20: PIONEER SQUARE	
RETAIL, RESTAURANTS	
LEASE RATE RANGE (NNN)	\$14.00-\$29.50
TYPICAL LEASE RATE (NNN)	\$16.00-\$26.75
VACANCY AND COLLECTION LOSS	4.5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	6.75% -8.50%
OFFICE	
LEASE RATE RANGE	\$20.50-\$33.75
TYPICAL LEASE RATE	\$21.50-\$29.50
VACANCY AND COLLECTION LOSS	9.0%
OPERATING EXPENSES	\$7.25-\$10.50
CAPTIALIZATION RATE RANGE	5.50% -7.50%
BASEMENT/OFFICE, RETAIL & FINISHED	
LEASE RATE RANGE	\$6.75-\$20.00
TYPICAL LEASE RATE	\$7.75-\$17.50
VACANCY AND COLLECTION LOSS	9.0%
OPERATING EXPENSES	20%
CAPTIALIZATION RATE RANGE	7.00% -9.00%
APARTMENTS, MULTI RESIDENCES ETC.	
LEASE RATE RANGE	\$10.25-\$33.50
TYPICAL LEASE RATE	\$11.50-\$29.25
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	35%
CAPTIALIZATION RATE RANGE	5.50% -6.25%
STORAGE/WAREHOUSE	
LEASE RATE RANGE (NNN)	\$7.00-\$12.00
TYPICAL LEASE RATE (NNN)	\$9.00-\$10.75
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	7.5%
CAPTIALIZATION RATE RANGE	6.00% -6.75%

NEIGHBORHOOD 30: DOWNTOWN MIXED COMMERCIAL	
OFFICE	
LEASE RATE RANGE	\$28.00
TYPICAL LEASE RATE	\$28.00
VACANCY AND COLLECTION LOSS	10%
OPERATING EXPENSES	\$11.50
CAPTIALIZATION RATE RANGE	6.25%
RETAIL, RESTAURANTS,	
LEASE RATE RANGE (NNN)	\$23.00
TYPICAL LEASE RATE (NNN)	\$23.00
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	7.50%

NEIGHBORHOOD 40: DOWNTOWN OFFICE CORE I	
OFFICE	
LEASE RATE RANGE	\$28.50-\$43.00
TYPICAL LEASE RATE	\$33.00-\$38.00
VACANCY AND COLLECTION LOSS	13%
OPERATING EXPENSES	\$9.75-\$12.50
CAPTIALIZATION RATE RANGE	4.75% -6.25%
RETAIL, RESTAURANTS	
LEASE RATE RANGE (NNN)	\$21.00-\$43.00
TYPICAL LEASE RATE (NNN)	\$23.25-\$38.50
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	6.50% -8.25%

NEIGHBORHOOD 50: DOWNTOWN MIXED COMMERCIAL	
OFFICE	
LEASE RATE RANGE	\$18.00-\$36.00
TYPICAL LEASE RATE	\$20.00-\$33.00
VACANCY AND COLLECTION LOSS	6%
OPERATING EXPENSES	\$7.00-\$10.75
CAPTIALIZATION RATE RANGE	5.00% -7.25%
RETAIL, RESTAURANTS	
LEASE RATE RANGE (NNN)	\$20.00-\$29.00
TYPICAL LEASE RATE (NNN)	\$21.75-\$26.00
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	5.25% -8.50%

NEIGHBORHOOD 60: DOWNTOWN RETAIL CORE	
OFFICE	
LEASE RATE RANGE	\$24.00-\$44.00
TYPICAL LEASE RATE	\$27.00-\$36.50
VACANCY AND COLLECTION LOSS	10%
OPERATING EXPENSES	\$8.50-\$12.25
CAPTIALIZATION RATE RANGE	5.00% -7.50%
RETAIL, RESTAURANTS	
LEASE RATE RANGE (NNN)	\$24.25-\$54.50
TYPICAL LEASE RATE (NNN)	\$28.25-\$54.50
VACANCY AND COLLECTION LOSS	3%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	4.75% -8.50%

NEIGHBORHOOD 70:DOWNTOWN OFFICE CORE II	
OFFICE	
LEASE RATE RANGE	\$22.25-\$42.00
TYPICAL LEASE RATE	\$24.50-\$37.75
VACANCY AND COLLECTION LOSS	10%
OPERATING EXPENSES	\$8.50-\$12.25
CAPTIALIZATION RATE RANGE	5.00% -7.50%

RETAIL, RESTAURANTS	
LEASE RATE RANGE (NNN)	\$23.00-\$54.25
TYPICAL LEASE RATE (NNN)	\$26.75-\$50.50
VACANCY AND COLLECTION LOSS	3%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	5.25% -8.00%

NEIGHBORHOOD 80: PIKE PLACE MARKET

OFFICE	
LEASE RATE RANGE	\$18.00-\$36.50
TYPICAL LEASE RATE	\$20.00-\$33.75
VACANCY AND COLLECTION LOSS	6%
OPERATING EXPENSES	\$7.00-\$10.75
CAPTIALIZATION RATE RANGE	5.00% -7.25%
RETAIL, RESTAURANTS	
LEASE RATE RANGE (NNN)	\$19.00-\$35.00
TYPICAL LEASE RATE (NNN)	\$24.00-\$32.00
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	5.25% -8.50%

NEIGHBORHOOD 90: BELLTOWN

OFFICE	
LEASE RATE RANGE (NNN)	\$19.75-\$38.50
TYPICAL LEASE RATE (NNN)	\$22.25-\$35.25
VACANCY AND COLLECTION LOSS	6%
OPERATING EXPENSES	35%
CAPTIALIZATION RATE RANGE	5.00% - 7.50%
RETAIL/RESTAURANTS	
LEASE RATE RANGE	\$20.00-\$28.50
TYPICAL LEASE RATE	\$22.00-\$26.50
VACANCY AND COLLECTION LOSS	7%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	4.75% -8.25%

STORAGE/WAREHOUSE	
LEASE RATE RANGE	\$6.25-\$14.25
TYPICAL LEASE RATE	\$9.00-\$12.50
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	7.50%
CAPTIALIZATION RATE RANGE	4.75%-6.50%

NEIGHBORHOOD 100: DOWNTOWN MIXED COMMERCIAL / DENNY TRIANGLE	
OFFICE	
LEASE RATE RANGE (NNN)	\$21.50-\$42.25
TYPICAL LEASE RATE (NNN)	\$24.25-\$36.75
VACANCY AND COLLECTION LOSS	12%
OPERATING EXPENSES	\$8.50 - \$12.25
CAPTIALIZATION RATE RANGE	5.00% - 7.50%
RETAIL/RESTAURANTS	
LEASE RATE RANGE	\$21.00-\$35.25
TYPICAL LEASE RATE	\$23.75-\$32.00
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	5.25% - 8.00%
STORAGE/WAREHOUSE	
LEASE RATE RANGE	\$7.50-\$12.50
TYPICAL LEASE RATE	\$9.50-\$11.25
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	7.50%
CAPTIALIZATION RATE RANGE	6.00%-6.75%

NEIGHBORHOOD 110: SOUTH LAKE UNION	
OFFICE	
LEASE RATE RANGE (NNN)	\$22.00-\$38.50
TYPICAL LEASE RATE (NNN)	\$23.75-\$37.00
VACANCY AND COLLECTION LOSS	7%
OPERATING EXPENSES	35%
CAPTIALIZATION RATE RANGE	5.00% - 8.25%

RETAIL/RESTAURANTS	
LEASE RATE RANGE	\$19.50-\$30.00
TYPICAL LEASE RATE	\$22.00-\$27.50
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	5.25% -8.50%
STORAGE/WAREHOUSE	
LEASE RATE RANGE	\$6.00-\$15.50
TYPICAL LEASE RATE	\$9.00-\$13.50
VACANCY AND COLLECTION LOSS	5%
OPERATING EXPENSES	10%
CAPTIALIZATION RATE RANGE	5.25% - 6.75%

Parking Income Analysis

Additionally, income from parking was considered. Income was based on an allocation of total parking spaces into daily and monthly rates. Monthly spaces were calculated as representing 67% of the total spaces while daily spaces accounted for the remaining 33%. No turnaround income was recognized on the daily spaces. A 240 day year was used for calculating daily parking income for the year. The monthly rates in Area 30 ranged from \$139 to \$300/stall and the daily rates ranged from \$11.00 to \$25.00/stall depending on the location. The occupancy range was 39% to 79% and the annual expense rate range applied was typically 15% - 25%. The Puget Sound Regional Council 2014 Parking Inventory Survey was utilized as a basis for establishing parking rates and occupancy rates in the various neighborhoods in Downtown Seattle. It divides the Central Business District of downtown Seattle into 13 neighborhoods and reports rental rates daily, hourly and monthly. This is the most recent parking survey available and a new survey is generated every two to three years. Stand-alone parking garages/parcels were valued by the market approach

Reconciliation:

All parcels were individually reviewed for correctness of the model application before final value selection. All of the factors used to establish value by the model were subject to adjustment. The published market rents were used as a guide in establishing the market rental rates used. The market rental rate applied varies somewhat but falls within an acceptable range of variation from the established guideline. The Senior Appraiser, before posting, reviewed final values selected.

Model Validation

Total Value Conclusions, Recommendations and Validation:

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

The standard statistical measures of valuation performance are presented in the 2017 and 2018 Ratio Analysis charts which are included in this report. Comparison of the 2017 Ratio Study Analysis with the 2018 Ratio Study Analysis indicates that the weighted mean statistical measure of assessment level went from 85.8% to 98.7%. The Coefficient of Dispersion (COD) went from 16.92% to 14.20%, and the Coefficient of Variation (COV) went from 24.69% to 20.89%. The Price-related Differential (PRD) went from 1.02 to 1.01. All of these statistical measures show significant improvement.

It is felt that the income approach to value, based on market parameters, is the most reliable method of producing uniform and equalized values. Therefore, the income approach to value was selected as the appraisal method for most of the income producing properties.

The total assessed value in area 30 for the 2017 assessment year was \$9,762,115,050 and the total recommended value for the 2018 assessment year is \$10,950,396,599. Application of this recommended value for the 2018 assessment year (taxes payable in 2019) result in an increase of 12.17% from the total 2017 assessment value.

All of the new, standard statistical measures of valuation performance show significant improvement and fall within the IAAO guidelines. Therefore, it is recommended that the proposed values be posted for the 2018 assessment year.

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.

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

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

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

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

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

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

Date of Value Estimate

RCW 84.36.005

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

RCW 36.21.080

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

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

Property Rights Appraised: Fee Simple

Wash Constitution Article 7 § 1 Taxation:

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

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

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

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

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

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

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

Assumptions and Limiting Conditions:

1. No opinion as to title is rendered. Data on ownership and legal description were obtained from public records. Title is assumed to be marketable and free and clear of

- all liens and encumbrances, easements and restrictions unless shown on maps or property record files. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.
2. No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area were taken from sources considered reliable, and no encroachment of real property improvements is assumed to exist.
 3. No responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes, can be assumed without provision of specific professional or governmental inspections.
 4. Rental areas herein discussed have been calculated in accord with generally accepted industry standards.
 5. The projections included in this report are utilized to assist in the valuation process and are based on current market conditions and anticipated short term supply demand factors. Therefore, the projections are subject to changes in future conditions that cannot be accurately predicted by the appraiser and could affect the future income or value projections.
 6. The property is assumed uncontaminated unless the owner comes forward to the Assessor and provides other information.
 7. The appraiser is not qualified to detect the existence of potentially hazardous material which may or may not be present on or near the property. The existence of such substances may have an effect on the value of the property. No consideration has been given in this analysis to any potential diminution in value should such hazardous materials be found (unless specifically noted). We urge the taxpayer to retain an expert in the field and submit data affecting value to the assessor.
 8. No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, although such matters may be discussed in the report.
 9. Maps, plats and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose.
 10. The appraisal is the valuation of the fee simple interest. Unless shown on the Assessor's parcel maps, easements adversely affecting property value were not considered.

11. An attempt to segregate personal property from the real estate in this appraisal has been made.
12. Items which are considered to be “typical finish” and generally included in a real property transfer, but are legally considered leasehold improvements are included in the valuation unless otherwise noted.
13. The movable equipment and/or fixtures have not been appraised as part of the real estate. The identifiable permanently fixed equipment has been appraised in accordance with RCW 84.04.090 and WAC 458-12-010.
14. I have considered the effect of value of those anticipated public and private improvements of which I have common knowledge. I can make no special effort to contact the various jurisdictions to determine the extent of their public improvements.
15. Exterior inspections were made of all properties in the physical inspection areas (outlined in the body of the report) however; due to lack of access and time few received interior inspections.

Scope of Work Performed:

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

and as budgeted. The scope of work performed and disclosure of research and analyses not performed are identified throughout the body of the report.

CERTIFICATION:

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

- *The statements of fact contained in this report are true and correct*
- *The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.*
- *I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.*
- *I have no bias with respect to the property that is the subject of this report or to the parties involved.*
- *My engagement in this assignment was not contingent upon developing or reporting predetermined results.*
- *My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.*
- *My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.*
- *The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.*
- *The individuals listed below were part of the "appraisal team" and provided significant real property appraisal assistance to the person signing this certification. 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.*
- *Any services regarding the subject area performed by me starting September 1, 2009 as an appraiser or in any other capacity is listed below: Any and all activities required under the Certificate of Appointment under sworn oath appointing the below signed appraiser to the position of true and lawful deputy in the Office of the King County Assessor, and authorized by the State of Washington, Department of Revenue under a Certificate of Accreditation. To include: all duties, responsibilities, and services associated with the position description of Commercial Appraiser II in the management and valuation of Commercial Area 30, or Central Business District. Such duties, responsibilities and services include, but are not limited to physical inspection, revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification, new construction evaluation, and any other service which may be required from time to time and be determined significant or otherwise during the fulfillment of position requirements, and are made part of each real property parcel, is a matter of public record and this certification by reference.*

Joe Arnold, Commercial Appraiser II

Area 30 Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

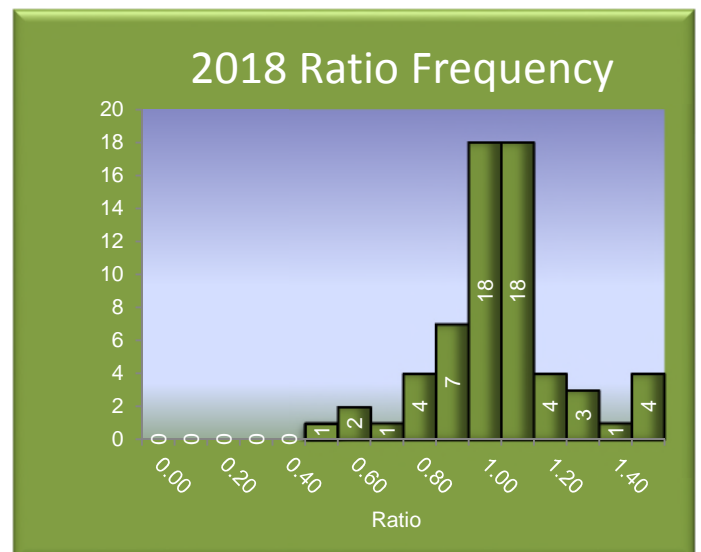
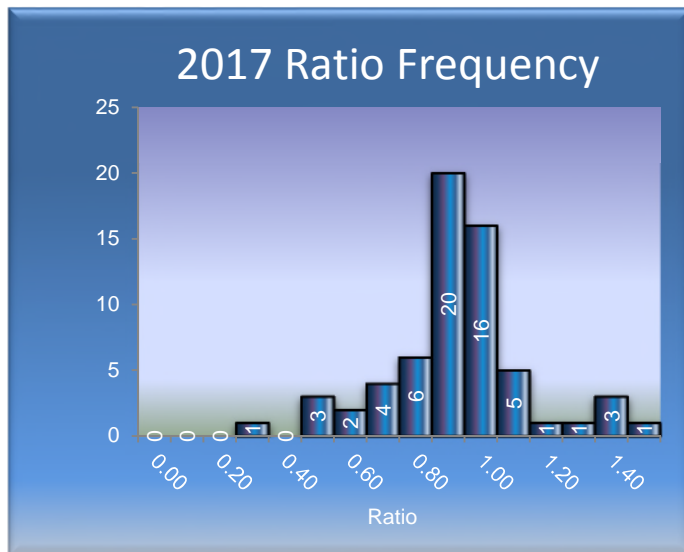
Pre-revalue ratio analysis compares sales from 2015 through 2017 in relation to the previous assessed value as of 1/1/2017.

PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	63
Mean Assessed Value	6,189,700
Mean Adj. Sales Price	7,211,800
Standard Deviation AV	9,908,140
Standard Deviation SP	11,846,595
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.877
Median Ratio	0.885
Weighted Mean Ratio	0.858
UNIFORMITY	
Lowest ratio	0.2112
Highest ratio:	1.4339
Coefficient of Dispersion	16.92%
Standard Deviation	0.2165
Coefficient of Variation	24.69%
Price Related Differential (PRD)	1.02

POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares sales from 2015 through 2017 and reflects the assessment level after the property has been revalued to 1/1/2018

POST REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	63
Mean Assessed Value	7,115,200
Mean Sales Price	7,211,800
Standard Deviation AV	11,211,536
Standard Deviation SP	11,846,595
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.996
Median Ratio	0.999
Weighted Mean Ratio	0.987
UNIFORMITY	
Lowest ratio	0.4202
Highest ratio:	1.5657
Coefficient of Dispersion	14.20%
Standard Deviation	0.2081
Coefficient of Variation	20.89%
Price Related Differential (PRD)	1.01



Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
030	010	524780	2410	21,600	2775531	\$5,000,000	01/11/16	\$231.48	BUSH GARDEN - RESTAURANT	IDM 75/85-150	2	Y	
030	010	865370	0010	598	2775564	\$255,000	01/11/16	\$426.42	TOBIRA	IDR 45/125-240	1	Y	
030	020	093900	0125	24,820	2763386	\$4,786,000	10/26/15	\$192.83	LOWMAN AND HANFORD BUILDING	PSM 100/100-130	1	Y	
030	020	093900	0140	24,960	2727315	\$3,784,000	04/30/15	\$151.60	HOWARD BUILDING	PSM 100/100-130	1	Y	
030	020	093900	0150	72,000	2773851	\$20,500,000	12/22/15	\$284.72	PIONEER BUILDING	PSM 100/100-130	1	Y	
030	020	093900	0155	149,040	2904093	\$30,750,000	12/01/17	\$206.32	BUTLER GARAGE	PSM 100/100-130	1	Y	
030	020	093900	0235	23,002	2771592	\$4,525,000	12/11/15	\$196.72	110 CHERRY BUILDING	PSM 100/100-130	1	Y	
030	020	258500	1110	2,925	2834143	\$925,000	11/09/16	\$316.24	FLORENTINE CONDOMINIUM	PSM-85-120	1	Y	
030	020	258500	1120	765	2880649	\$665,000	07/26/17	\$869.28	FLORENTINE CONDOMINIUM	PSM-85-120	1	Y	
030	020	524780	0095	7,820	2871370	\$3,448,400	06/14/17	\$440.97	BOSTON HOTEL	PSM 100/100-120	1	Y	
030	020	524780	0115	11,654	2835769	\$2,992,000	11/23/16	\$256.74	LUCKY HOTEL/KILLION BUILDING	PSM-100	1	Y	
030	020	524780	0125	12,090	2788246	\$2,850,000	04/01/16	\$235.73	MARATHON BUILDING	PSM-100	1	Y	
030	020	524780	0170	14,190	2788263	\$3,200,000	04/01/16	\$225.51	CROWN HOTEL BUILDING	PSM-100	1	Y	
030	020	524780	0255	69,700	2735335	\$34,000,000	06/05/15	\$487.80	HERITAGE BUILDING	PSM 100/100-120	1	Y	
030	020	524780	0265	14,400	2836272	\$5,035,000	11/28/16	\$349.65	FISHER BUILDING	PSM 100/100-120	1	Y	
030	020	524780	0440	70,690	2766780	\$22,410,010	11/13/15	\$317.02	OLYMPIC BLOCK BUILDING	PSM-100	2	Y	
030	020	524780	0575	20,880	2785864	\$4,230,112	03/21/16	\$202.59	RETAIL BUILDING	PSM 100/100-120	1	Y	
030	020	524780	0595	27,645	2755031	\$4,000,000	09/10/15	\$144.69	METROPOLE	PSM 100/100-120	1	Y	
030	020	610825	0010	4,880	2868834	\$1,515,000	06/02/17	\$310.45	THE NORD MASTER	PSM-100	1	Y	
030	020	766620	6935	2,600	2872435	\$1,875,000	06/14/17	\$721.15	TRIANGLE HOTEL & BAR TAVERN	PSM-85-120	1	Y	
030	020	859140	0060	8,790	2708547	\$2,655,000	01/02/15	\$302.05	EMERALD CITY BUILDING	PSM 100/100-130	1	Y	
030	050	197720	0935	11,770	2847414	\$5,186,000	02/03/17	\$440.61	OFFICE BUILDING	DMC-125	1	Y	
030	060	197570	0450	6,000	2734987	\$4,000,000	06/05/15	\$666.67	AARON BROTHERS	DRC 85-150	1	Y	
030	060	762875	0010	61,309	2877946	\$15,850,000	07/18/17	\$258.53	SEABOARD BUILDING CONDOMINIUM	DRC 85-170	1	Y	
030	080	332400	0370	2,750	2858545	\$1,276,000	04/13/17	\$464.00	HILLCLIMB COURT CONDOMINIUM	PMM-85	2	Y	
030	090	025460	0020	68,746	2846443	\$21,875,000	01/26/17	\$318.20	LEGACY CENTRE SEATTLE	DMR/R 280/65	1	Y	
030	090	051240	0020	1,629	2865518	\$640,000	05/16/17	\$392.88	BANNER BUILDING THE CONDOMINIUM	DMR/C 145/65	1	Y	
030	090	058640	0097	109,832	2810711	\$33,645,000	07/21/16	\$306.33	BAY VISTA BUILDING CONDOMINIUM	DMR/C 125/65	12	Y	
030	090	065300	0120	16,800	2772629	\$2,750,000	12/21/15	\$163.69	HULL BUILDING	DMR/R 85/65	1	Y	
030	090	065500	0043	9,920	2742717	\$3,100,000	07/10/15	\$312.50	CATHOLIC SEAMANS CLUB	DMR/R 85/65	1	Y	
030	090	065600	0130	26,270	2723400	\$8,200,000	04/09/15	\$312.14	RITE AID & OFFICES	DMR/R 240/65	1	Y	
030	090	065700	0020	4,918	2885874	\$2,395,000	08/24/17	\$486.99	AUSTIN A BELL CONDOMINIUM	DMR/C 95/65	2	Y	
030	090	068780	0010	1,284	2720146	\$450,000	03/12/15	\$350.47	BELLORA CONDOMINIUM	DMR/C 125/65	1	Y	
030	090	068780	0020	1,540	2845893	\$725,000	01/18/17	\$470.78	BELLORA CONDOMINIUM	DMR/C 125/65	2	Y	
030	090	068780	0020	1,540	2709745	\$549,000	01/06/15	\$356.49	BELLORA CONDOMINIUM	DMR/C 125/65	2	Y	
030	090	069400	0105	10,000	2728617	\$3,300,000	05/06/15	\$330.00	SEVILLE BUILDING	DMR/R 125/65	1	Y	
030	090	197720	0646	8,515	2741899	\$1,750,000	07/07/15	\$205.52	RESTAURANT/NIGHT CLUB - TIA LOU	DMR/R 85/65	1	Y	
030	090	197720	0670	3,960	2871036	\$3,375,000	06/15/17	\$852.27	PINTXO SPANISH RESTAURANT	DMR/C 95/65	1	Y	
030	090	197720	1160	12,000	2747542	\$3,600,000	07/30/15	\$300.00	OFFICE BUILDING	DMR/R 85/65	1	Y	
030	090	228544	0020	1,263	2796776	\$490,000	05/13/16	\$387.97	81 VINE BUILDING CONDOMINIUM	DMR/C 125/65	1	Y	
030	090	311050	0010	5,940	2758921	\$2,236,000	09/23/15	\$376.43	HARBOUR HEIGHTS CONDOMINIUM	DMR/R 240/65	2	Y	
030	090	390590	0016	917	2856768	\$449,900	03/30/17	\$490.62	KLEE CONDOMINIUM	DMR/C 125/65	1	Y	
030	090	390590	0030	1,140	2729917	\$506,756	05/06/15	\$444.52	KLEE CONDOMINIUM	DMR/C 125/65	1	Y	
030	090	560795	0030	565	2850179	\$295,000	02/22/17	\$522.12	MONTREUX CONDOMINIUM	DMR/C 240/125	1	Y	
030	090	560795	0030	565	2737073	\$218,200	06/10/15	\$386.19	MONTREUX CONDOMINIUM	DMR/C 240/125	1	Y	

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
030	090	683990	0530	5,441	2863427	\$2,860,000	05/01/17	\$525.64	POMEROY CONDOMINIUM	DMR/R 85/65	1	Y	
030	090	683990	0540	3,030	2800087	\$1,100,000	05/31/16	\$363.04	POMEROY CONDOMINIUM	DMR/R 85/65	1	Y	
030	090	745720	0010	940	2715431	\$370,000	02/18/15	\$393.62	ROYAL CREST CONDOMINIUM	DMR/R 125/65	1	Y	
030	100	069600	0045	11,360	2760444	\$4,100,000	10/01/15	\$360.92	OFFICE BUILDING	DMC 240/290-400	1	Y	
030	100	069600	0050	8,640	2803760	\$4,100,000	06/17/16	\$474.54	THE MARTIN	DMC 240/290-400	1	Y	
030	100	197570	0645	5,616	2767211	\$5,350,000	11/18/15	\$952.64	EITEL BUILDING (2ND AND PIKE)	DMC 240/290-400	1	Y	
030	100	197570	0646	16,000	2796478	\$20,750,000	05/17/16	\$1,296.88	HARD ROCK CAFÉ	DMC 240/290-400	1	Y	
030	100	711750	0005	2,220	2731218	\$1,200,000	05/18/15	\$540.54	NORTHWEST TROPHY	DMC 240/290-400	1	Y	
030	100	872974	0010	81,040	2782324	\$73,000,000	02/29/16	\$900.79	2200 WESTLAKE (RETAIL PORTION)	DMC 240/290-400	3	Y	
030	100	919720	0010	68,582	2823241	\$20,251,040	09/20/16	\$295.28	WATERMARK COMMERCIAL CONDO	DMC 240/290-400	1	Y	
030	110	019550	0010	1,150	2836295	\$405,000	11/16/16	\$352.17	ALTERRA CONDOMINIUM PH 1 & 2	SM-85	1	Y	
030	110	198320	0090	19,440	2709045	\$9,500,000	01/08/15	\$488.68	507 WESTLAKE (AMAZON LEASED)	SM-SLU 160/85-240	1	Y	
030	110	198320	0095	19,440	2715851	\$3,750,000	02/20/15	\$192.90	ANTIQUE LIQUIDATORS	SM 160/85-240	1	Y	
030	110	224900	0245	58,681	2768436	\$17,700,000	11/25/15	\$301.63	701 DEXTER BUILDING	SM-SLU 160/85-240	1	Y	
030	110	224950	0180	19,647	2785890	\$5,050,000	03/22/16	\$257.04	AMERICAN APPLIANCE	SM-85	1	Y	
030	110	224950	0430	4,920	2854253	\$1,730,110	03/15/17	\$351.65	TRIPLEX - FORMER CONST OFFICE	SM-85	1	Y	
030	110	224950	0444	1,650	2853443	\$2,063,100	03/14/17	\$1,250.36	PETER STORER ARCHITECHS	SM-85	2	Y	
030	110	684970	0350	9,162	2886440	\$4,800,000	08/30/17	\$523.90	PRECOR FITNESS	SM-SLU 240/125-440	1	Y	

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
030	010	524780	1461	14,400	2810932	\$5,500,000	07/22/16	\$381.94	PARKING LOT	IDR/C 125/150-240	1	Y	
030	010	524780	1525	14,400	2813306	\$4,400,000	07/28/16	\$305.56	PARKING LOT	IDR 45/125-240	1	Y	
030	010	524780	2000	14,400	2898818	\$5,750,000	11/01/17	\$399.31	PARKING LOT	IDR 170	1	Y	
030	020	524780	0150	20,766	2814119	\$11,669,562	08/05/16	\$561.96	OLD SEATTLE PARKING GARAGE	PSM 100/100-120	1	Y	
030	020	766620	2575	8,849	2899506	\$4,535,000	11/01/17	\$512.49	PARKING LOT	PSM 100/100-130	1	Y	
030	040	094200	0615	28,560	2756821	\$49,252,800	09/18/15	\$1,724.54	UNITED PARKING GARAGE	DOC1 U/450/U	2	Y	
030	060	065900	0030	8,120	2723402	\$20,000,000	04/09/15	\$2,463.05	MAYFLOWER PARK HOTEL (W/065900-0445)	DRC 85-150	1	Y	
030	060	197570	0281	8,700	2910705	\$12,425,000	12/21/17	\$1,428.16	CHASE BANK	DRC 85-170	1	Y	
030	070	065900	0430	16,200	2734083	\$16,237,700	06/01/15	\$1,002.33	ICON GRILL	DOC2 500/300-500	3	Y	
030	090	065600	0141	25,492	2790168	\$24,000,000	04/14/16	\$941.47	VACANT	DMR/R 240/65	1	Y	
030	090	065600	0230	6,615	2901783	\$3,400,000	11/18/17	\$513.98	ART GALLERY	DMR/C 95/65	1	Y	
030	090	065600	0245	6,480	2799885	\$4,950,000	05/26/16	\$763.89	RETAIL/OFFICE BUILDING	DMR/R 85/65	1	Y	
030	090	065600	0255	16,208	2848042	\$14,300,000	02/09/17	\$882.28	S.K.B. ARCHITECTS	DMR/R 125/65	2	Y	
030	090	065600	0390	12,960	2832092	\$7,600,000	10/31/16	\$586.42	THE OLD VINE COURT BUILDING	DMR/R 240/65	1	Y	
030	090	069400	0035	6,480	2722960	\$4,557,400	03/26/15	\$703.30	MEXICAN KITCHEN	DMR/R 85/65	1	Y	
030	090	069400	0100	6,480	2738884	\$2,721,600	06/16/15	\$420.00	PARKING LOT	DMR/R 125/65	1	Y	
030	090	069500	0205	5,890	2738003	\$1,915,850	06/09/15	\$325.27	FELIX BUILDING	DMC-65	1	Y	
030	090	069600	0070	19,440	2897012	\$21,600,000	10/23/17	\$1,111.11	KAYE-SMITH PRODUCTIONS	DMR/C 280/125	3	Y	
030	090	197720	0165	11,293	2824667	\$6,700,000	09/28/16	\$593.29	OFFICE BUILDING/ APT & LIVE/WORK UNIT	DMR/C 85/65	1	Y	
030	090	197720	0505	21,600	2752964	\$8,000,000	08/27/15	\$370.37	PARKING LOT	DMR/C 85/65	1	Y	
030	100	065900	0985	6,480	2753444	\$4,700,000	09/01/15	\$725.31	VACANT LAND	DMC 240/290-400	2	Y	
030	100	065900	1000	16,200	2813297	\$22,803,067	08/01/16	\$1,407.60	PARKING LOT	DMC 240/290-400	3	Y	
030	100	066000	0005	6,480	2830858	\$7,999,900	10/18/16	\$1,234.55	PALACE BALLROOM - RETAIL/OFC	DMC 240/290-400	1	Y	
030	100	066000	0395	9,878	2829689	\$8,344,430	10/24/16	\$844.75	SHILLA RESTAURANT	DMC 240/290-400	1	Y	
030	100	066000	0510	5,845	2720724	\$4,225,000	03/24/15	\$722.84	PARKING LOT	DMC 240/290-400	1	Y	
030	100	066000	2115	9,960	2790923	\$8,500,000	04/15/16	\$853.41	PARKING LOT	DMC 240/290-400	1	Y	
030	100	066000	2264	54,720	2758694	\$52,910,775	09/30/15	\$966.94	OPEN OFFICE	DMC 240/290-400	7	Y	
030	100	066000	2325	14,400	2793130	\$14,950,000	04/29/16	\$1,038.19	PARKING LOT	DMC 240/290-400	2	Y	
030	100	069700	0265	32,400	2758786	\$24,836,500	09/30/15	\$766.56	SIXTH AND BATTERY BUILDING	DMC 240/290-400	1	Y	
030	100	069700	0370	10,700	2827704	\$12,960,000	10/11/16	\$1,211.21	PARKING LOT	DMC 240/290-400	1	Y	
030	100	197720	0015	8,748	2801028	\$10,600,000	06/03/16	\$1,211.71	MJA BUILDING	DMC 240/290-400	1	Y	
030	100	197720	0875	6,660	2902498	\$6,000,000	11/15/17	\$900.90	PARKING LOT	DMC 240/290-440	1	Y	
030	100	197720	0925	19,440	2839826	\$18,066,200	12/14/16	\$929.33	PARKING LOT	DMC 240/290-400	5	Y	
030	100	197720	1040	6,480	2715179	\$6,532,400	02/24/15	\$1,008.09	TONY'S DOWNTOWN PARKING GARAGE	DMC 240/290-400	1	Y	
030	100	197720	1045	6,480	2728682	\$7,597,200	05/06/15	\$1,172.41	TRUST BUILDING (HEIDEN BUILDING)	DMC 240/290-400	1	Y	
030	100	197720	1215	6,480	2807600	\$4,850,000	06/23/16	\$748.46	JEFFY LUBE	DMC 240/290-400	1	Y	
030	110	198320	0230	19,440	2769638	\$17,500,000	12/03/15	\$900.21	FIRESTONE TIRE AND RUBBER CO	SM-SLU 160/85-240	1	Y	
030	110	198320	0540	27,614	2755655	\$13,101,625	09/10/15	\$474.46	VACANT - FOUR CORNERS FURNITURE	SM 160/85-240	2	Y	
030	110	198320	0605	58,787	2766289	\$38,372,708	11/12/15	\$652.74	PHYSICAL THERAPY SEATTLE	SM 160/85-240	5	Y	
030	110	198620	0085	12,720	2770336	\$10,600,000	12/07/15	\$833.33	MORNINGSIDE ACADEMY	SM-SLU 160/85-240	1	Y	
030	110	198620	0160	7,200	2773614	\$4,600,000	12/28/15	\$638.89	OFFICE / RETAIL	SM-SLU 160/85-240	1	Y	
030	110	198620	0165	7,200	2776385	\$3,600,000	01/15/16	\$500.00	RETAIL WAREHOUSE/ ART SALE	SM-SLU 160/85-240	1	Y	
030	110	198620	0175	21,600	2712029	\$11,720,000	01/30/15	\$542.59	FORMER CITY HARDWARE SITE	SM 160/85-240	2	Y	
030	110	198620	0310	28,200	2718974	\$20,376,000	03/12/15	\$722.55	PARKING LOT	SM 240/125-400	2	Y	
030	110	198820	1285	44,638	2713148	\$19,033,790	02/05/15	\$426.40	HOSTESS BAKERY	SM 160/85-240	1	Y	
030	110	199120	0870	105,066	2713791	\$50,397,068	02/13/15	\$479.67	KING BROADCASTING	SM 160/85-240	4	Y	

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
030	110	199120	1210	5,984	2819855	\$4,376,000	08/26/16	\$731.28	INFORM INTERIORS	SM-SLU 160/85-240	1	Y	
030	110	199120	1225	12,000	2817984	\$7,200,000	08/25/16	\$600.00	GCA SERVICES GROUP	SM-SLU 160/85-240	1	Y	
030	110	199120	1335	14,400	2871140	\$9,075,000	06/16/17	\$630.21	CASCADE ARCH./ ENGR. SUPPLIES CO.	SM-SLU 175/85-280	2	Y	
030	110	199120	1360	7,200	2860000	\$5,442,260	04/21/17	\$755.87	STORAGE BUILDING	SM-SLU 160/85-240	1	Y	
030	110	199120	1400	3,600	2850687	\$1,500,000	02/28/17	\$416.67	PARKING LOT	SM-SLU 85-240	1	Y	
030	110	224900	0265	12,152	2710178	\$4,250,000	01/16/15	\$349.74	15 STORY APARTMENT PROJECT	SM 160/85-240	1	Y	
030	110	224950	0425	8,350	2892033	\$5,467,575	09/28/17	\$654.80	SINGLE FAMILY RESIDENCE	SM-SLU 100/95	1	Y	
030	110	246740	0085	4,800	2901926	\$4,050,000	11/09/17	\$843.75	FIRMANI & ASSOCIATES	SM-SLU 175/85-280	1	Y	
030	110	246740	0090	6,000	2899820	\$5,060,000	11/01/17	\$843.33	RETAIL/OFFICE	SM-SLU 175/85-280	1	Y	
030	110	246740	0236	3,600	2743157	\$1,500,000	07/10/15	\$416.67	VACANT LOT	SM/R 55/85	2	Y	
030	110	246740	0285	36,000	2714509	\$16,070,180	02/05/15	\$446.39	PARKING FOR PEMCO	SM/R 55/85	4	Y	
030	110	338690	0030	12,826	2773937	\$4,500,000	12/08/15	\$350.85	WINEMAKERS STUDIO / URBAN CROSSFIT	SM-85	1	Y	
030	110	338690	0040	6,413	2848737	\$2,400,000	02/15/17	\$374.24	VACANT	SM-85	1	Y	
030	110	338690	0070	50,160	2738424	\$16,961,210	06/23/15	\$338.14	OFFICES & WAREHOUSE	SM-85	2	Y	
030	110	408880	3440	29,396	2712889	\$10,500,000	02/06/15	\$357.19	DUCATI SEATTLE	SM-85	2	Y	
030	110	408880	3485	22,581	2802868	\$10,161,450	06/15/16	\$450.00	MAACO AUTO PAINT	SM-85	1	Y	
030	110	408880	3565	14,030	2784434	\$7,500,000	03/09/16	\$534.57	KPG ARCHITECT	SM-85	1	Y	

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
030	010	524780	2735	21,000	2764212	\$1,500,000	10/21/15	\$71.43	REPUBLIC HOTEL & RETAIL	IDM-75-85	1	55	Shell
030	010	768389	0020	0	2811829	\$158,620	07/15/16	\$0.00	THE CHARTER HOTEL & HELIOS	DMC 240/290-400	1	67	Gov't to non-gov't
030	020	524780	0140	16,650	2738148	\$50,000	06/19/15	\$3.00	C & H COMPANY	PSM 100/100-120	1	24	Easement or right-of-way
030	020	524780	0665	5,820	2773500	\$600,000	12/23/15	\$103.09	RETAIL BUILDING	PSM 100/100-120	1	51	Related party, friend, or neighbor
030	020	524780	0900	49,000	2738316	\$108,820	06/18/15	\$2.22	FURUYA & CORGIAT BUILDINGS	PSM 100/100-120	1	42	Development rights to cnty,cty,or pr
030	030	093900	0240	52,298	2772647	\$401,500	11/25/15	\$7.68	UNITED WAY	DMC 340/290-400	1	56	Builder or developer sales
030	030	093900	0240	52,298	2772643	\$237,250	11/25/15	\$4.54	UNITED WAY	DMC 340/290-400	1	56	Builder or developer sales
030	030	093900	0240	52,298	2745805	\$525	07/24/15	\$0.01	UNITED WAY	DMC 340/290-400	1	42	Development rights to cnty,cty,or pr
030	030	093900	0240	52,298	2842140	\$103,550	12/29/16	\$1.98	UNITED WAY	DMC 340/290-400	1	42	Development rights to cnty,cty,or pr
030	030	093900	0245	51,345	2804495	\$8,275,000	06/23/16	\$161.16	OLD CHAMBER OF COMMERCE BUILDING	DMC 340/290-400	1	44	Tenant
030	030	094200	1095	8,000	2737012	\$2,500,000	06/16/15	\$312.50	RETAIL / OFFICE	DMC 340/290-400	1	68	Non-gov't to gov't
030	050	197570	0600	34,100	2856642	\$2,495,400	03/30/17	\$73.18	GATEWOOD HOTEL	DMC-125	1	18	Quit claim deed
030	050	766620	2477	97,822	2709108	\$1,059,040	01/07/15	\$10.83	SCHWABACHER BUILDING	DMC-160	1	42	Development rights to cnty,cty,or pr
030	050	766620	2477	97,822	2745797	\$146,271	07/27/15	\$1.50	SCHWABACHER BUILDING	DMC-160	1	42	Development rights to cnty,cty,or pr
030	060	197570	0365	37,268	2756544	\$875,000	09/10/15	\$23.48	CENTURY SQUARE RETAIL	DRC 85-150	1	22	Partial interest (1/3, 1/2, etc.)
030	070	065900	0445	64,080	2809309	\$73,000	06/15/16	\$1.14	AVIS PARKING GARAGE	DOC2 500/300-500	1	22	Partial interest (1/3, 1/2, etc.)
030	070	065900	0445	64,080	2778084	\$525,000	01/29/16	\$8.19	AVIS PARKING GARAGE	DOC2 500/300-500	1	56	Builder or developer sales
030	070	065900	0445	64,080	2809332	\$105,500	06/15/16	\$1.65	AVIS PARKING GARAGE	DOC2 500/300-500	1	22	Partial interest (1/3, 1/2, etc.)
030	070	065900	0600	5,740	2809093	\$4,005,000	07/14/16	\$697.74	MCDONALDS	DOC2 500/300-500	1	33	Lease or lease-hold
030	070	197670	0005	69,856	2716520	\$1,500,000	02/26/15	\$21.47	FOREVER 21	DOC2 500/300-500	1	33	Lease or lease-hold
030	070	197670	0005	69,856	2716521	\$6,510,770	03/02/15	\$93.20	FOREVER 21	DOC2 500/300-500	1	33	Lease or lease-hold
030	090	032450	0010	3,252	2774513	\$571,125	12/30/15	\$175.62	AVENUE ONE CONDOMINIUM	DMR/R 125/65	2	51	Related party, friend, or neighbor
030	090	069800	0060	133,720	2787432	\$1,105,263	03/30/16	\$8.27	NW WORK LOFTS	DMC-65	3	33	Lease or lease-hold
030	090	069800	0060	133,720	2787438	\$394,737	03/30/16	\$2.95	NW WORK LOFTS	DMC-65	3	33	Lease or lease-hold
030	090	069800	0095	12,425	2856108	\$114,495	03/30/17	\$9.21	OLYMPIC SCULPTURE PARK (SAM)	DMR/R 125/65	2	42	Development rights to cnty,cty,or pr
030	090	069800	0095	12,425	2880213	\$1,045	07/26/17	\$0.08	OLYMPIC SCULPTURE PARK (SAM)	DMR/R 145/65	2	42	Development rights to cnty,cty,or pr
030	090	766620	2495	41,900	2866248	\$39,500,000	05/24/17	\$942.72	PIER 54 IVARS ACRES OF CLAMS	DH1/45	3	33	Lease or lease-hold
030	100	065900	0995	4,800	2890957	\$4,607,280	09/21/17	\$959.85	OFFICE - (FORMER NARA GRILL)	DMC 240/290-440	1	36	Plottage
030	100	065900	1020	26,436	2753665	\$12,990,000	09/02/15	\$491.38	GRIFFIN BUILDING	DMC 240/290-400	1	51	Related party, friend, or neighbor
030	100	066000	0955	95,201	2856107	\$897,984	03/30/17	\$9.43	PARAMOUNT NORTHWEST	DMC 340/290-400	2	42	Development rights to cnty,cty,or pr
030	100	066000	0955	95,201	2800251	\$66,220	06/01/16	\$0.70	PARAMOUNT NORTHWEST	DMC 340/290-400	1	42	Development rights to cnty,cty,or pr
030	100	066000	2105	8,843	2723674	\$45,000	04/09/15	\$5.09	GOODYEAR TIRES	DMC 240/290-400	1	24	Easement or right-of-way
030	100	066000	2140	11,594	2720943	\$75,000	03/27/15	\$6.47	RETAIL / RESIDENTIAL	DMC 240/290-400	1	24	Easement or right-of-way
030	100	069600	0005	19,800	2712560	\$48,500	02/04/15	\$2.45	CINERAMA THEATRE	DMC 240/290-400	1	24	Easement or right-of-way
030	100	069600	0025	24,000	2898781	\$337,500	05/20/15	\$14.06	DOWNTOWN FAMILY MEDICAL	DMC 240/290-440	1	24	Easement or right-of-way
030	100	069600	0025	24,000	2731619	\$203,560	03/27/15	\$8.48	DOWNTOWN FAMILY MEDICAL	DMC 240/290-400	1	24	Easement or right-of-way
030	100	093900	0530	36,152	2880356	\$15,510,000	07/31/17	\$429.02	RETAIL / WAREHOUSE	DMC 240/290-440	1	30	Historic property
030	100	197720	1095	18,360	2812889	\$25,000	07/29/16	\$1.36	OFFICE BUILDING	DMC 240/290-400	1	24	Easement or right-of-way
030	100	197720	1095	18,360	2812880	\$25,000	07/28/16	\$1.36	OFFICE BUILDING	DMC 240/290-400	1	24	Easement or right-of-way
030	100	214129	0010	9,999	2856104	\$541,168	03/30/17	\$54.12	EAGLES AUDITORIUM / ACT THEATER	DMC 340/290-400	1	42	Development rights to cnty,cty,or pr
030	100	214129	0010	9,999	2778321	\$715,380	01/29/16	\$71.55	EAGLES AUDITORIUM / ACT THEATER	DMC 340/290-400	1	42	Development rights to cnty,cty,or pr
030	100	214129	0020	9,999	2800252	\$40,757	06/02/16	\$4.08	EAGLES AUDITORIUM / ACT THEATER	DMC 340/290-400	1	42	Development rights to cnty,cty,or pr
030	110	198320	0095	19,440	2715852	\$1,750,000	02/27/15	\$90.02	ANTIQUE LIQUIDATORS	SM 160/85-240	1	22	Partial interest (1/3, 1/2, etc.)
030	110	198420	0280	35,351	2714812	\$20,500,000	02/19/15	\$579.90	1213 VALLEY BUILDING (FORMERLY CBIC)	SM-125	4	17	Non-profit organization
030	110	198820	1310	4,690	2713793	\$1,832,621	02/13/15	\$390.75	PRINTWORKS	SM 160/85-240	1	59	Bulk portfolio sale
030	110	198820	1350	9,588	2753091	\$4,203,911	08/26/15	\$438.46	WAREHOUSE / RETAIL	SM 85-240	1	57	Selling or buying costs affecting sa

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
030	110	198820	1370	28,800	2739151	\$300,000	06/23/15	\$10.42	WAREHOUSE / OFFICE	SM 85-240	2	24	Easement or right-of-way
030	110	198820	1550	3,900	2778760	\$35,000	12/11/15	\$8.97	ATHLETIC AWARDS COMPANY	SM-SLU 160/85-240	1	24	Easement or right-of-way
030	110	198820	1555	16,112	2891352	\$772,650	09/21/17	\$47.95	CORNISH COLLEGE	SM-SLU 175/85-280	1	67	Gov't to non-gov't
030	110	199120	0930	6,000	2839011	\$3,200,000	12/08/16	\$533.33	SERVICE GARAGE	SM-SLU 160/85-240	1	15	No market exposure
030	110	199120	1000	5,040	2747038	\$1,850,000	07/31/15	\$367.06	PUBLISHERS MAILING SYSTEMS	SM 160/85-240	1	64	Sales/leaseback

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
030	010	524780	1831	4,800	2807211	\$1,250,000	06/27/16	\$260.42	PARKING LOT	IDM 75/85-150	1	52	Statement to dor
030	020	524780	0015	9,433	2834908	\$153,459	11/01/16	\$16.27	VACANT LAND	PSM 100/100-120	1	18	Quit claim deed
030	050	197620	0062	1	2774286	\$10	11/12/15	\$10.00	AIR RIGHTS	DMC 240/290-400	1	51	Related party, friend, or neighbor
030	090	065600	0200	12,960	2894600	\$220,000	08/28/17	\$16.98	PARKING LOT	DMR/R 145/65	1	24	Easement or right-of-way
030	100	065900	0985	6,480	2813278	\$9,121,227	08/01/16	\$1,407.60	VACANT LAND	DMC 240/290-400	2	5	Full sales price not reported
030	100	066000	0130	12,960	2841676	\$6,444,105	12/28/16	\$497.23	RETAIL	DMC 340/290-400	1	36	Plottage
030	100	066000	0150	25,920	2841678	\$12,737,810	12/28/16	\$491.43	FORMER DAYS INN MOTEL	DMC 340/290-400	1	36	Plottage
030	100	066000	0945	34,036	2775066	\$127,488	01/07/16	\$3.75	PARKING LOT (TDR's Sold)	DMC 340/290-400	2	42	Development rights to cnty,cty,or pr
030	100	066000	0945	34,036	2778327	\$1,034,265	01/29/16	\$30.39	PARKING LOT (TDR's Sold)	DMC 340/290-400	2	42	Development rights to cnty,cty,or pr
030	100	066000	1190	21,600	2801534	\$147,840	06/07/16	\$6.84	PARKING LOT (TDR's Sold)	DMC 340/290-400	3	42	Development rights to cnty,cty,or pr
030	100	066000	2310	4,800	2793134	\$4,983,433	04/29/16	\$1,038.22	PARKING LOT	DMC 240/290-400	1	5	Full sales price not reported
030	100	069700	0260	6,480	2758774	\$3,900,000	09/30/15	\$601.85	PARKING LOT	DMC 240/290-400	1	15	No market exposure
030	100	069700	0370	10,700	2827707	\$1,920,000	10/05/16	\$179.44	PARKING LOT	DMC 240/290-400	1	22	Partial interest (1/3, 1/2, etc.)
030	100	197570	0480	38,502	2742853	\$330,000	07/10/15	\$8.57	PARKING LOT	DMC 240/290-400	2	33	Lease or lease-hold
030	110	198320	0395	72,494	2872495	\$630,543	06/19/17	\$8.70	PARKING	SM-SLU 85/65-160	4	67	Gov't to non-gov't
030	110	198320	0625	11,806	2766212	\$7,700,000	11/12/15	\$652.21	SCHULTZ / MILLER	SM 160/85-240	1	5	Full sales price not reported
030	110	198620	0175	21,600	2829108	\$28,500,000	10/20/16	\$1,319.44	FORMER CITY HARDWARE	SM-SLU 160/85-240	2	65	Plans and permits
030	110	198620	0310	27,960	2788044	\$1,704,375	03/29/16	\$60.96	970 DENNY - CURRENTLY PARKING	SM-SLU 240/125-400	2	67	Gov't to non-gov't
030	110	198620	0310	27,960	2788045	\$124,320	03/29/16	\$4.45	970 DENNY - CURRENTLY PARKING	SM-SLU 240/125-400	2	67	Gov't to non-gov't
030	110	198820	1320	6,480	2713794	\$1,975,158	02/13/15	\$304.81	PARKING LOT	SM 160/85-240	1	59	Bulk portfolio sale
030	110	198820	1555	14,400	2798724	\$16,250,000	05/26/16	\$1,128.47	26 STORY CORNISH TOWER SITE	SM-SLU 160/85-240	1	65	Plans and permits
030	110	199120	1215	6,016	2819887	\$15,350,000	09/01/16	\$2,551.53	LOST LUGGAGE	SM-SLU 160/85-240	1	56	Builder or developer sales
030	110	199120	1240	12,000	2713790	\$4,031,765	02/13/15	\$335.98	PARKING LOT	SM 160/85-240	1	59	Bulk portfolio sale
030	110	199120	1400	3,600	2903193	\$2,500	10/30/17	\$0.69	PARKING LOT	SM-SLU 85-280	1	24	Easement or right-of-way
030	110	224900	0285	61,440	2727324	\$3,375,000	04/28/15	\$54.93	AUTO HOUND	SM 160/85-240	1	52	Statement to dor
030	110	338690	0025	4,664	2904111	\$1,000,000	11/20/17	\$214.41	VACANT - CITY VIEW CORRIDOR	SM-SLU 100/95	1		
030	110	408880	3435	29,396	2785368	\$35,000,000	03/18/16	\$1,190.64	BUCA DI BEPPO	SM-85	2	65	Plans and permits
030	110	408880	3500	18,000	2848348	\$16,500,000	02/10/17	\$916.67	MULTI-TENANT RETAIL	SM-85	1	36	Plottage
030	110	408880	3510	13,200	2847132	\$12,850,000	01/31/17	\$973.48	WORLD'S SPORT GRILL	SM-85	1	36	Plottage
030	110	408880	3565	14,030	2854189	\$16,000,000	03/20/17	\$1,140.41	KPG ARCHITECT	SM-85	1	36	Plottage

30 - 100 Inspection parcels					
Major	Minor		Inspected		Address
026980	0000				2013 TERRY AVE
066000	0005				2100 5TH AVE
066000	0010				2106 5TH AVE
066000	0020				2120 5TH AVE
066000	0025				2124 5TH AVE
066000	0040				2105 6TH AVE
066000	0070				
066000	0080				2200 6TH AVE
066000	0110				2224 6TH AVE
066000	0130				2229 7TH AVE
066000	0150				2205 7TH AVE
066000	0325				2200 7TH AVE
066000	0335				2210 7TH AVE
066000	0340				2220 7TH AVE
066000	0345				2230 7TH AVE
066000	0355				2213 8TH AVE
066000	0375				2201 8TH AVE
066000	0395				2300 8TH AVE
066000	0405				2202 8TH AVE
066000	0435				2224 8TH AVE
066000	0445				2230 8TH AVE
066000	0485				2116 WESTLAKE AVE
066000	0500				2115 WESTLAKE AVE
066000	0510				2115 WESTLAKE AVE
066000	0515				2121 WESTLAKE AVE
066000	0525				2120 WESTLAKE AVE
066000	0540				
066000	0545				2118 WESTLAKE AVE
066000	0560				810 VIRGINIA ST
066000	0575				2030 8TH AVE
066000	0900				801 PINE ST
066000	0915				815 PINE ST
066000	0945				1500 9TH AVE
066000	0955				901 PINE ST
066000	0975				919 PINE ST
066000	1025				906 PINE ST
066000	1095				901 HOWELL ST
066000	1113				915 HOWELL ST
066000	1114				920 OLIVE WAY
066000	1135				1800 9TH AVE
066000	1170				1823 TERRY AVE
066000	1190				1815 TERRY AVE
066000	1195				924 HOWELL ST
066000	1200				914 HOWELL ST
066000	1215				1900 9TH AVE
066000	1225				1906 9TH AVE
066000	1230				1916 9TH AVE
066000	1235				1922 9TH AVE
066000	1240				1932 9TH AVE
066000	1255				1915 TERRY AVE

066000	1280				2000 9TH AVE
066000	1305				2014 9TH AVE
066000	1310				901 LENORA ST
066000	1324				2025 TERRY AVE
066000	1365				914 VIRGINIA ST
066000	1370				922 VIRGINIA ST
066000	1410				2211 WESTLAKE AVE
066000	1420				1000 LENORA ST
066000	1445				1000 VIRGINIA ST
066000	1455				2014 TERRY AVE
066000	1460				2020 TERRY AVE
066000	1470				1001 LENORA ST
066000	1475				2031 BOREN AVE
066000	1480				2025 BOREN AVE
066000	1485				2019 BOREN AVE
066000	1490				2015 BOREN AVE
066000	1505				1020 VIRGINIA ST
066000	1510				1024 STEWART ST
066000	1512				
066000	1525				1920 TERRY AVE
066000	1530				1001 VIRGINIA ST
066000	1580				1800 TERRY AVE
066000	1595				
066000	1600				
066000	1605				1007 STEWART ST
066000	1655				1004 OLIVE WAY
066000	1659				1708 TERRY AVE
066000	1670				1711 BOREN AVE
066000	1675				1711 BOREN AVE
066000	1700				TERRY AVE
066000	1725				1017 OLIVE WAY
066000	1970				1626 BOREN AVE
066000	1975				1105 OLIVE WAY
066000	1980				
066000	2030				1100 OLIVE WAY
066000	2054				1701 MINOR AVE
066000	2115				STEWART ST
066000	2125				1823 MINOR AVE
066000	2140				1809 MINOR AVE
066000	2145				1124 HOWELL ST
066000	2150				1120 HOWELL ST
066000	2155				
066000	2170				1916 BOREN AVE
066000	2190				1930 BOREN AVE
066000	2195				1925 MINOR AVE
066000	2210				1921 MINOR AVE
066000	2215				1913 MINOR AVE
066000	2220				1909 MINOR AVE
066000	2225				1901 MINOR AVE
066000	2230				2014 FAIRVIEW AVE N
066000	2245				2022 BOREN AVE
066000	2264				1200 STEWART ST
066000	2280				1914 MINOR AVE

066000	2285				1918 MINOR AVE
066000	2290				1201 DENNY WAY
066000	2295				1221 DENNY WAY
066000	2300				1221 DENNY WAY
066000	2305				1221 DENNY WAY
066000	2310				1200 HOWELL ST
066000	2325				
066000	2335				1814 MINOR AVE
066000	2340				1820 MINOR AVE
066000	2381				
066000	2410				1730 MINOR AVE
066000	2680				1800 YALE AVE
066000	2685				1800 YALE AVE
066000	2690				1818 YALE AVE
066000	2695				1828 YALE AVE
066000	2700				1832 YALE AVE
069400	0205				2101 4TH AVE
069600	0005				2100 4TH AVE
069600	0015				2116 4TH AVE
069600	0025				2124 4TH AVE
069600	0035				2133 5TH AVE
069600	0040				2127 5TH AVE
069600	0045				2121 5TH AVE
069600	0050				2115 5TH AVE
069600	0055				2105 5TH AVE
069700	0064				521 WALL ST
069700	0170				2200 5TH AVE
069700	0186				2218 5TH AVE
069700	0210				2131 5TH AVE
069700	0230				2229 6TH AVE
069700	0235				2201 6TH AVE
069700	0260				2300 6TH AVE
069700	0265				2326 6TH AVE
069700	0295				2331 7TH AVE
069700	0305				
069700	0325				616 BATTERY ST
069700	0340				601 WALL ST
069700	0355				611 WALL ST
069700	0370				600 WALL ST
069700	0390				
069700	0400				2300 7TH AVE
069700	0435				2301 8TH AVE
135430	0000				2015 TERRY AVE
197720	1230				2021 4TH AVE
197720	1231				2015 4TH AVE
197720	1240				
197720	1245				2003 4TH AVE
197720	1255				
197820	0105				800 UNION ST
214129	0000				700 UNION ST
235700	0000				820 B BLANCHARD ST
253887	0000				2132 5TH AVE
312504	9099				

337440	0000				1821 BOREN AVE
358900	0000				588 BELL ST
501730	0000				1000 1ST AVE
534290	0000				701 PIKE ST
609490	0000				2021 9TH AVE
615995	0000				1515 9TH AVE
711750	0005				1314 HOWELL ST
711750	0010				1811 EASTLAKE AVE E
711750	0055				1810 COURT PL
768389	0000				206 PINE ST
864770	0000				1812 BOREN AVE
872974	0000				2200 WESTLAKE AVE
872975	0000				2200 WESTLAKE AVE
872976	0000				2201 WESTLAKE AVE