

Commercial Revalue

2018 Assessment roll

AREA

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**King County, Department of Assessments
Seattle, Washington**

John Wilson, Assessor



King County

Department of Assessments

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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

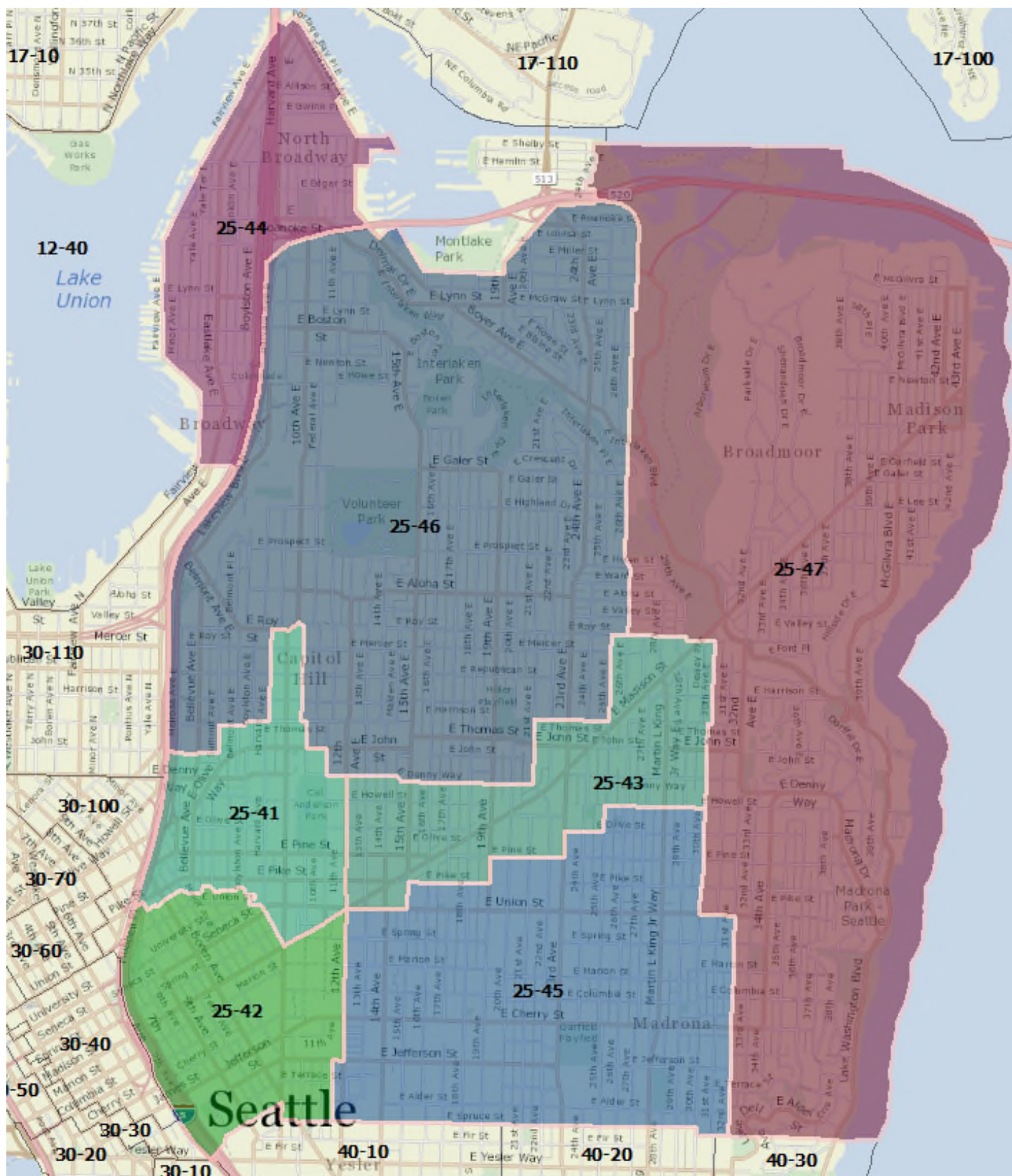
More results of the statistical testing process are found within the attached area report.

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.



Executive Summary Report

Appraisal Date 1/1/18

Geographic Appraisal Area:

- Area 25: Central District, First Hill, Capitol Hill, Eastlake, Montlake, Madison Park, Madrona

Sales – Improved Summary

- Number of Sales: 59 total, with 57 included in the Ratio Study
- Range of Sales Dates: 01/01/2015– 12/15/2017

Sales – Ratio Study Summary

Sales--Improved Valuation Change Summary				
	Mean Assessed Value	Mean Sale Price	Ratio	COD*
2017 Value	\$2,159,600	\$2,730,100	79.1%	20.11%
2018 Value	\$2,583,600	\$2,730,100	94.6%	14.39%
Abs. Change	\$424,000		15.5%	-5.72%
% Change	19.63%		19.60%	-28.44%

*COD is a measure of uniformity, the lower the number the better the uniformity

Sales used in analysis: All improved sales that 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. Examples of sales that are not included in the analysis are: bankruptcies, partial interest sales, easements, those sold between corporate affiliates, those sold as a portion of a bulk portfolio sale, net lease sales, sales that had major renovation after sale, or parcels that have been segregated or merged since being purchased.

Total Population - Parcel Summary Data			
	Land	Improvements	Total
2017 Value	\$3,602,439,900	\$2,906,766,300	\$6,509,206,200
2018 Value	\$4,466,894,000	\$3,004,504,700	\$7,471,398,700
% Change	24.00%	3.36%	14.78%

Number of Parcels in the Population: **1,325**, excluding specialties.

Conclusion and Recommendation:

Total assessed values for the 2018 revalue have increased 14.78%.

The values recommended in this report improve uniformity and equity; therefore it is recommended they should be posted for the 2018 Assessment Year.

Analysis Process

Effective Date of Appraisal: January 1st, 2018

Date of Appraisal Report: March 31st, 2018

The following appraiser did the valuation for this geographic area:

- David O'Hern – Commercial Appraiser I

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 use. Any opinion not consistent with this is specifically noted in our records and considered in the valuation of the specific parcel.

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

- Sales from 01/01/2015 to 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.

Identification of the Area

Name or Designation

- Area 25 Capitol Hill

Area 25 Neighborhoods

- 25-41 Broadway-Pike/Pine
- 25-42 First Hill
- 25-43 Madison
- 25-44 Eastlake
- 25-45 Central District
- 25-46 North Capitol Hill-Montlake
- 25-47 Madison Park-Madrona

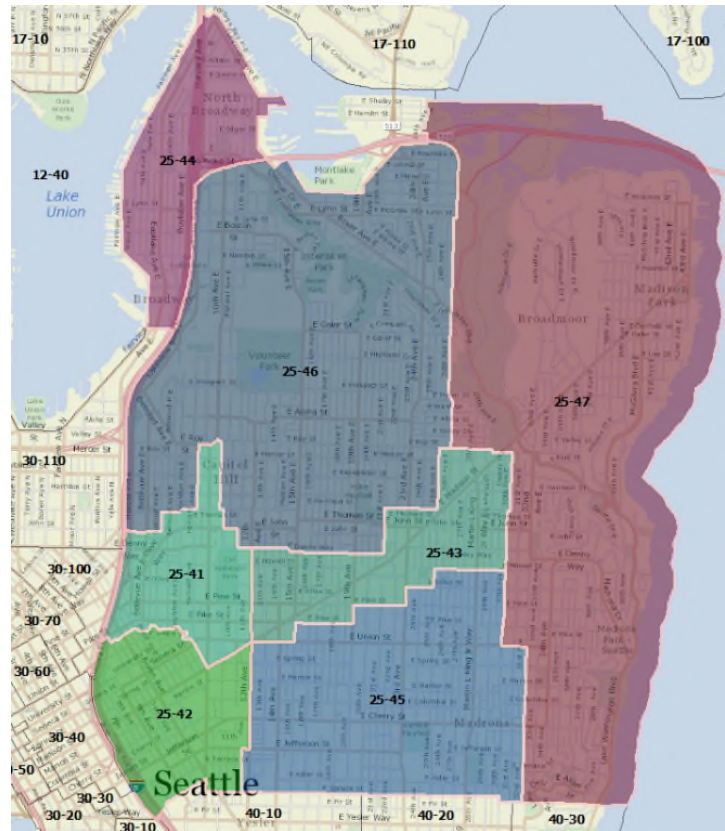
Boundaries

North: Lake Union Ship Canal

South: East Spruce Street

West: Interstate 5 and Lake Union

East: Lake Washington



Maps:

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

Area Description:

Area 25 is centrally located between the downtown core on the west and Lake Washington on the east; it is divided into seven neighborhoods: Broadway-Pike/Pine, First Hill, Madison, North Capitol Hill-Montlake, Central District, Eastlake, and Madison Park-Madrona. The Capitol Hill geo area is predominantly a high-density residential area with interspersed business cores. The seven different neighborhoods are similar in their mixed-use compositions but all unique in their own rights.

Area Overview:

Area 25 is a vibrant mix of older Seattle. Its location between Downtown Seattle, University of Washington (UW), Lake Washington, and I-90 makes it a desirable location for a wide variety of people.

The largest sources of economic vitality within the area are the medical centers on First Hill (Swedish, Harborview, and Virginia Mason), Seattle Central College, Seattle University, as well as the active retail corridors along Pine St, Pike St, and Broadway. Additional economic vitality comes from the surrounding area, including Downtown, Amazon in South Lake Union, and UW. Area 25's close proximity to these sources of economic activity is a major reason why real estate is so valuable in this area.

Gentrification has become a major issue in this area as the economy has boomed over the past five years. Long-time residents, particularly renters, are seeing their housing expenses rapidly increase as wealthier households choose to move into this area. Government officials and activists continue to debate over the best way to solve this issue. Some argue that we simply need more housing units, and incentives should be put in place to allow developers to build more. Others argue that the new development is too luxurious and contributes to the problem. Seattle Mayor Ed Murray created the Housing Affordability and Livability Agenda (HALA) in an effort to tackle this issue. His HALA Advisory Committee came up with a long list of recommendations, which the city is working to implement. One example is the Mandatory Housing Affordability (MHA) program which changes zoning to allow for denser development, but requires new development to include some affordable housing on-site or pay a fee that the city will use to expand affordable housing options. The goal is that these changes will limit displacement throughout the rest of this economic boom, allowing a wide variety of households to continue to live in Area 25. Implementation of MHA zoning changes began in 2017, with The Central District seeing the first changes among Area 25 neighborhoods. MHA zoning changes to the Broadway corridor is expected in early 2018.

The most prevalent new construction has continued to be multi-story mixed use developments with street level retail below residential apartments. The once aggressive popularity of new micro apartment developments have been slowing considerably and somewhat replaced by a very active trend of new single family townhomes, often replacing one single home with multiple multi-story townhomes. Time will tell how the implementation of MHA will affect this trend.

A significant number of high-profile deals took place in Area 25 in 2017. These include new mixed-use proposals at the Capitol Hill Light Rail Station, the former Bonney-Watson Funeral Home, the Moneytree branch on First Hill, and the Midtown Center at 23rd and Union. These projects are discussed in further detail in the neighborhood descriptions that follow.

Broadway-Pike/Pine (25-41)

Boundaries: Clockwise from the west, the boundaries are I-5, E John St, Summit Ave E, E Thomas St, Harvard Ave E, E Roy St, 10th Ave E, E John St, 11th Ave E, E Denny Way, 12th Ave, E Madison St, Harvard Ave, and the southern edge of Seattle's Pike/Pine Overlay.

Neighborhood Description:

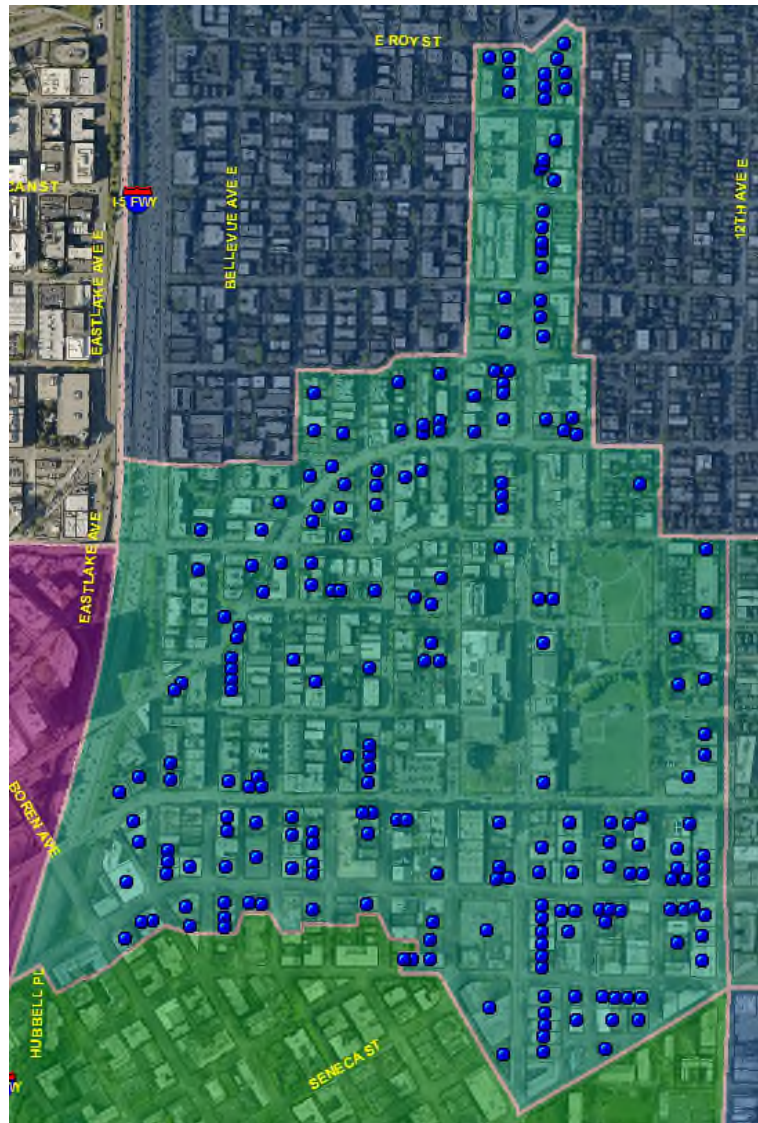
This neighborhood is a vibrant urban gateway to Downtown Seattle and one of Seattle's oldest neighborhoods. Its economy is healthy and seems to change daily. This is partially due to the proximity to downtown, and the concentration of Universities, Schools and major medical employers nearby.

A defining characteristic of this neighborhood is its premier retail location, which is reflected in its high retail rental rates. Major thoroughfares include Broadway, Olive Way, Pike Street, and Pine Street. Commercial businesses in this area include mixed-use retail buildings, restaurants, stores, and offices.

The Pike/Pine corridor was Seattle's "Auto Row" 100 years ago, and traces of that history are still present. Many of the newer mixed-use apartment buildings pay tribute to this history with names like "Pike Motorworks" or "Dunn Motors" or "REO Flats." Seattle's zoning has an overlay district over this corridor, which includes provisions that attempt to retain this historic character. For example, "Pike Motorworks" at 714 E Pike was a former BMW auto dealership which was recently redeveloped using the original 1926 brick façade.

The large, empty lots around the Capitol Hill Link Light Rail Station recently finalized their design for a housing, retail, and community space development. Construction is expected to begin in 2018 on four buildings, totaling 428 housing units (176 reserved for low-income tenants) and 39,150 square feet of commercial and community space.

The Bonney Watson funeral home, just south of the light rail station, is pending sale. It was put on the market in February 2017 with no asking price, but instead a call for bids by March 15. The winning bid came from Mill Creek Residential, who has proposed building 224 units with 5,500 square feet of commercial space in two buildings spanning both sides of E Howell St. However, they won't finalize the land sale until they are assured that the project won't be stalled by landmark preservation or design review efforts. The Landmarks Preservation Board ruled in December that the old funeral home is not a landmark, but the proposal is still working its way through design review.



First Hill (25-42)

Boundaries: Clockwise from the west, the boundaries are I-5, the southern edge of Seattle's Pike/Pine Overlay, Harvard Ave, E Madison St, 12th Ave, E Jefferson St, halfway between 12th Ave and 11th Ave, E Spruce St, Broadway, and Alder St.

Neighborhood Description:

First Hill is the central medical hub for the Seattle area. Several major medical centers are located here, including Swedish, Harborview, and Virginia Mason. Ongoing construction, upgrades and expansion of the hospitals has continued including the addition and renovation in progress at Swedish. Virginia Mason also continues to complete its newest addition, the Jones Pavilion, on a floor by floor basis.



This is the only neighborhood in Area 25 where zoning allows buildings over 85 feet. Thus, this neighborhood has become a transition area where high-rises that are common west of I-5 in downtown mix with the dense residential areas characteristic of Capitol Hill.

Many developments in this neighborhood take advantage of the tall building heights while being close to the active retail area of Pike/Pine and Broadway. One example is the 1001 Broadway development that is under construction at the corner of Madison Street and Harvard Avenue, just a short distance from Broadway. This 16-story building will have 265 residential units above 50,000 square feet of retail that has been secured by Whole Foods. It is right on the edge of the NC3P-160 zone, so it can build 160 feet tall while still being close to the active retail corridor on Broadway.

Next door to 1001 Broadway, Sound Transit agreed to partner with Plymouth Housing and Bellwether Housing to build a 160-foot high-rise affordable housing building where a Dollar Tree franchise currently sits. Sound Transit approved a motion in November 2017 to transfer this site to these non-profits at no cost to help bring more affordable housing to this neighborhood.

Madison (25-43)

Boundaries:

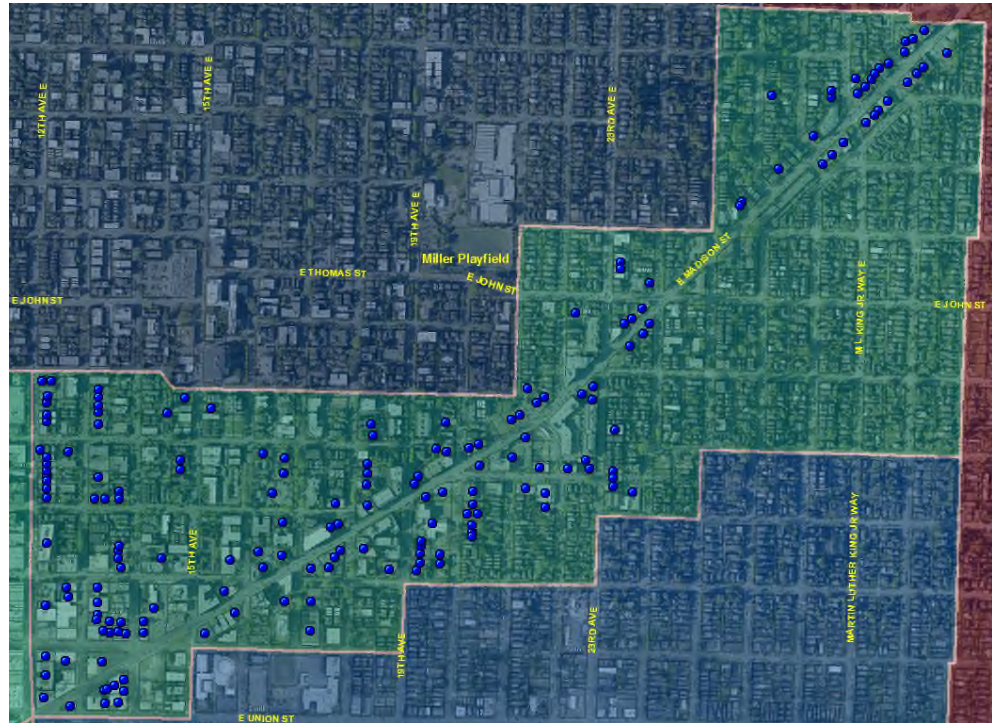
Clockwise from the west, the boundaries are 12th Ave, E Denny Way, 21st Ave E, E Thomas St, 25th Ave E, E Roy St, 30th Ave E, E Howell St, 25th Ave, E Olive St, 23rd Ave, E Pine St, 19th Ave, E Pike St, 15th Ave, and E Union St.

Neighborhood

Description:

This neighborhood serves as a

transition area. It transitions from the dense urban centers to the west to the quieter neighborhoods to the east. It also serves as a transition from the expensive Capitol Hill neighborhood to the north, known for its old mansions, to the more affordable Central District to the south.



This neighborhood is also home to the Bullitt Foundation's "Bullitt Center". The Bullitt Center was awarded the Living Building Certification. It's the first office building to get the designation, considered the most rigorous sustainability certification in the world.

An intersection with a lot of development in this neighborhood is where E Madison St meets 22nd Ave and E Denny Way. Session Apartments, a 95-unit apartment building with ground-floor retail, was completed on the south corner in 2015. In addition, Twenty20MAD Apartments, a 157-unit apartment building on the west corner was completed in 2017.

On the north corner, a significant transaction took place between two developers. Jim Mueller acquired the property in 2014 for \$1.8 Million, spent three years coming up with design plans and getting construction permits in place for a 6-story building with 50 apartments and 3,800 square feet of street-front retail, then sold it for \$4.6 Million in September 2017 to investor Xiao Wei Yang. Soon after the sale the old Firestone Tire building was demolished in preparation for construction. This deal provides evidence that investors are willing to pay a significant premium when a project is "shovel-ready."

One significant project in the pipeline is a six-story mixed-use building in Madison Valley just south of the Washington Park Playfields, at 2925 E Madison St. A PCC Grocery Store and 82 residential units are planned for this site where City People's Garden Store currently sits. The developer had originally hoped to start construction in early 2017 and finish in early 2018, but they faced significant opposition from a neighborhood nonprofit named Save Madison Valley, resulting in it being redesigned three times. After its fourth early design review meeting over a span of 14 months, it finally got approval to move forward in September 2017, but Save Madison Valley has vowed to continue fighting the project going forward so the construction timeline is still unclear.

Eastlake (25-44)

Boundaries: Clockwise from the west, the boundaries are generally Fairview Ave E, Portage Bay Pl E, Fuhrman Ave E, Boyer Ave E, SR-520, I-5, and E Galer St.

Neighborhood Description:

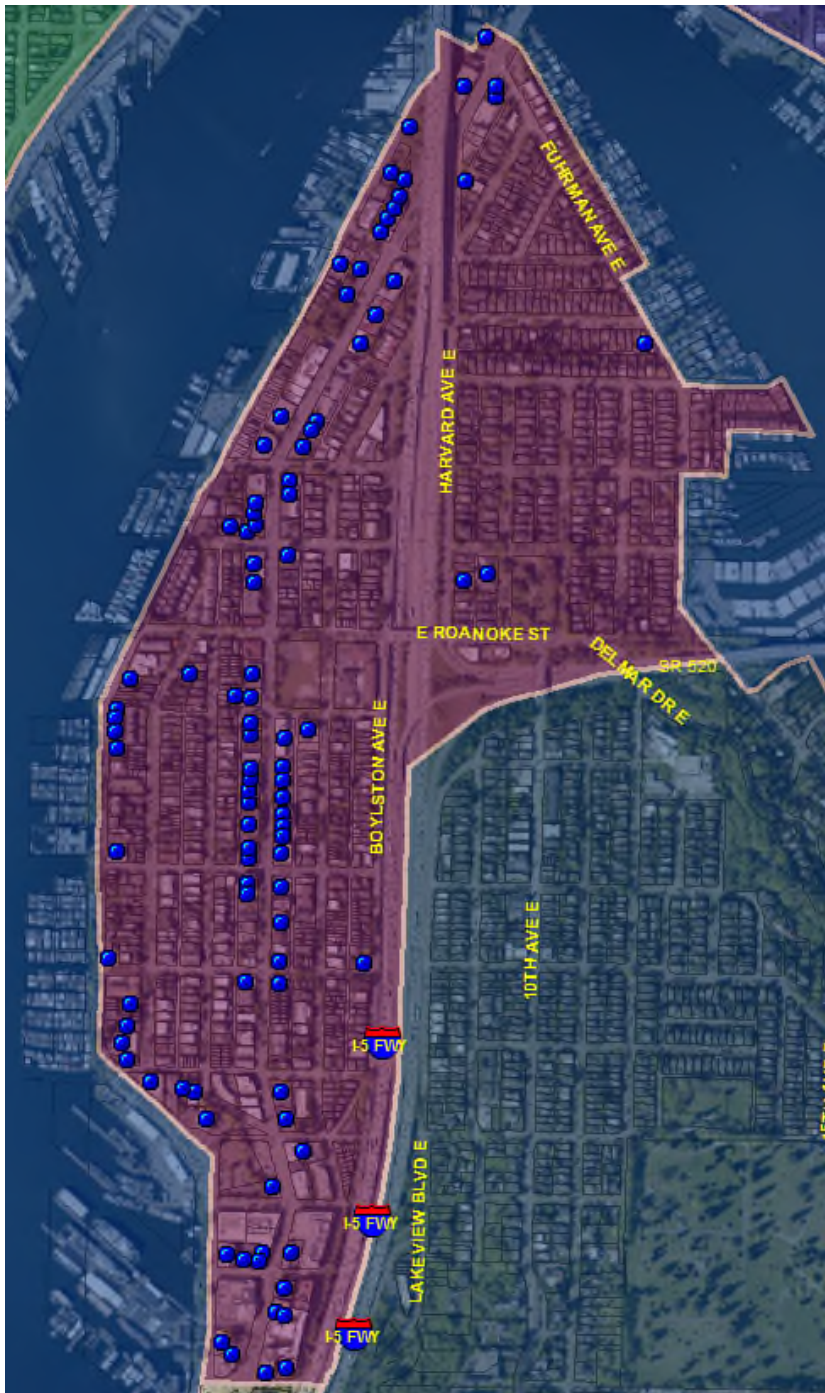
The Eastlake neighborhood is predominantly residential condominium uses with most of the commercial retail and office space occurring along Eastlake Ave E and some offices along Fairview Ave E with views of Lake Union.

Lake Union to the west, along with I-5 and Capitol Hill's steep slope to the east isolate this neighborhood from the surrounding area. This limits the entries into this neighborhood to just a handful of access points. The most significant entries are Eastlake Ave E from the south, University Bridge from the north, and Roanoke St from the east.

Numerous residential construction projects are underway in this neighborhood, similar to the rest of Area 25. The most significant non-residential project completed in 2017 is a new office building at the corner of Eastlake Ave E and E Edgar St. This building has over 45,000 square feet of new office space above 6,000 square feet of street-front retail and an underground parking garage.

Another project that entered the development pipeline in 2017 is a proposed Aegis Assisted Living building at the SE corner of Eastlake Ave E and E Newton St. Aegis purchased this property in July 2016 for \$4.3 Million (\$282/SF) and by early 2017 they had applied for a land use permit to build a 6-story building with 77 assisted living units.

In addition, a new 4-story bioscience laboratory is under construction on the north side of E Blaine St, between Eastlake Ave E and Fairview Ave E. The Atrium, at 1818 Fairview, will have over 200,000 square feet of class-A office/lab space, a ground-floor restaurant, and parking for over 200 vehicles. Construction is expected to finish early 2019.

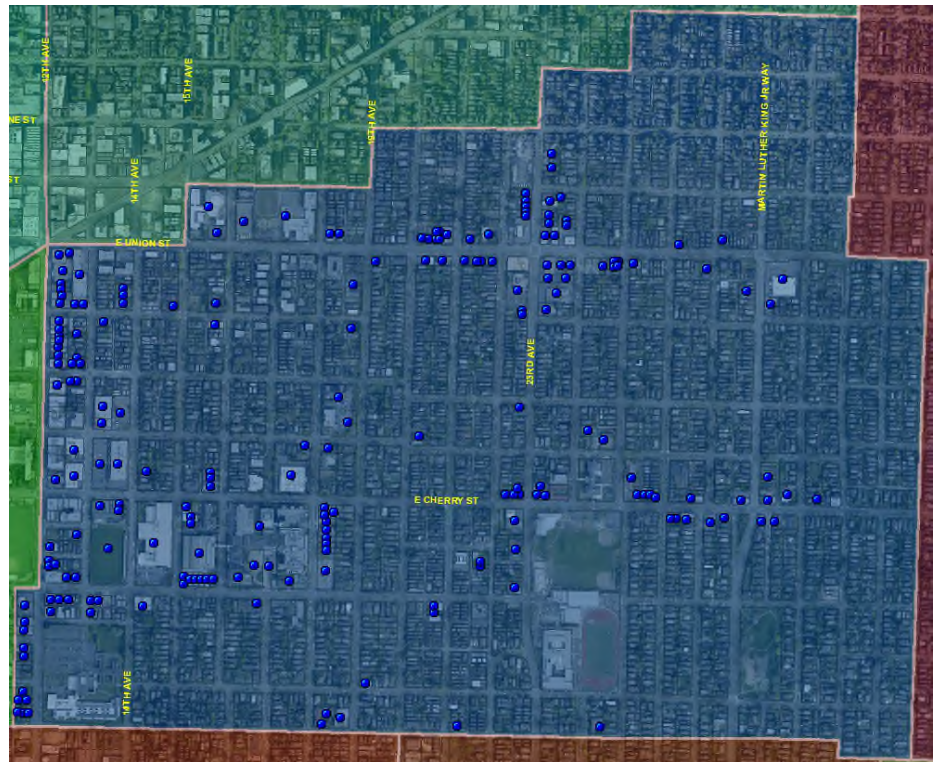


Central District (25-45)

Boundaries: Clockwise from the west, the boundaries are 12th Ave, E Union St, 15th Ave, E Pike St, 19th Ave, E Pine St, 23rd Ave, E Olive St, 25th Ave, E Howell St, 30th Ave, E Union St, 32nd Ave, and E Spruce St.

Neighborhood Description:

The Central District has a long history as one of Seattle's most diverse neighborhoods. It is Area 25's most affordable neighborhood. However, as the rest of Area 25 gets more expensive, this neighborhood is struggling with gentrification. Those that are finding other areas of Capitol Hill too expensive are moving into the Central District. Meanwhile, those that historically could afford to live in the Central District are being displaced to more affordable areas like Rainier Valley.



Most commercial activities are located on the neighborhood's arterials. 23rd Ave E is the main north-south arterial, along with Martin Luther King Jr Way S, 12th Ave, and 14th Ave. Union and Cherry Streets are the main commercial thoroughfares running east and west.

The intersection of 23rd and Union continues to see the biggest transformation. Construction is under way on a new 6-story mixed-use building at the NW corner with 144 housing units and 20,000 square feet of retail. Another major project, the Midtown Center, is coming to the SE corner. The plan to redevelop this block almost fell through after the Design Review Board rejected the original proposal in January 2017, causing investors to walk away from the project. However, Lake Union Partners agreed to partner with nonprofit community land trust, Africatown, to buy the site for \$23.25 million (\$219/SF) and spur new life into this project. They've proposed 435 housing units (125 reserved for low-income tenants) and 20,000 square feet of commercial space. This project is now in early design review.

North Capitol Hill-Montlake (25-46)

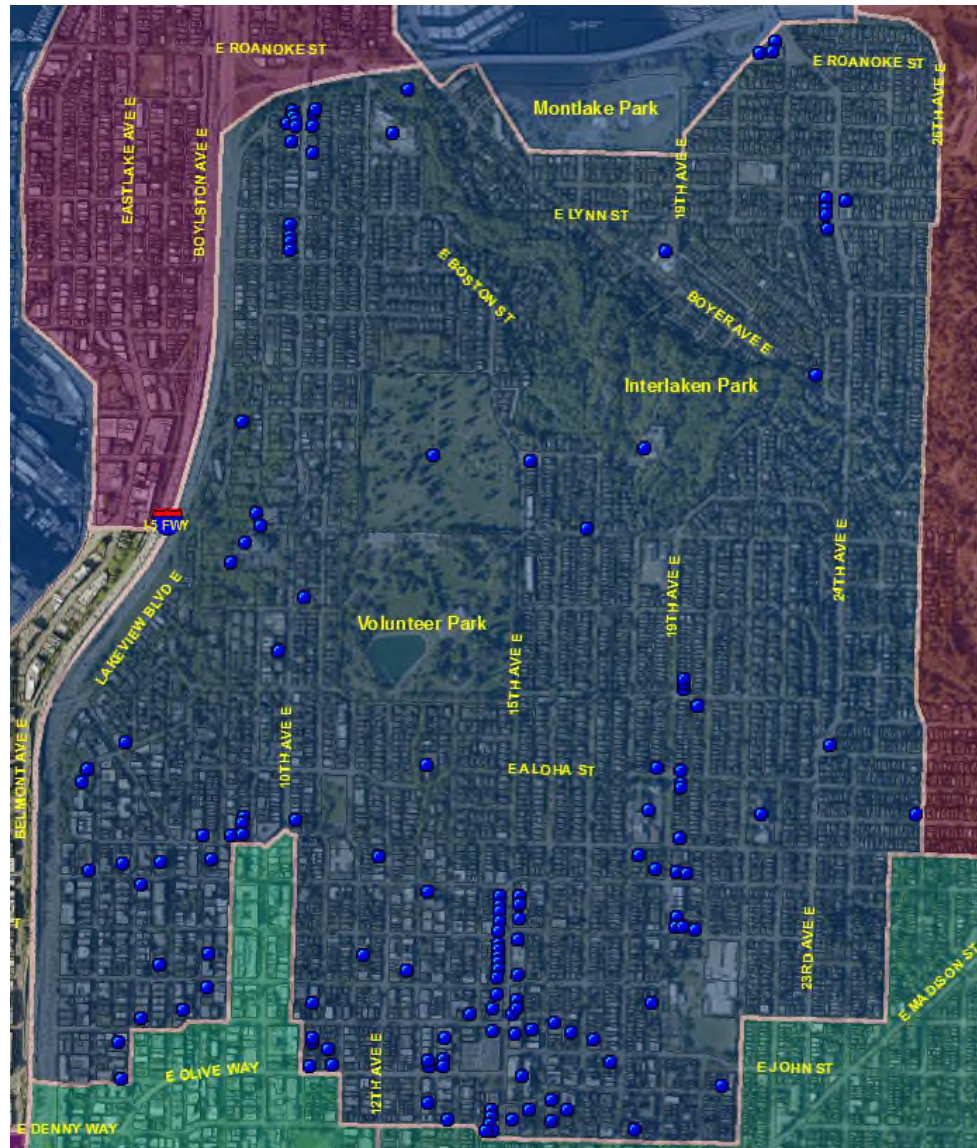
Boundaries:

Clockwise from the west, the boundaries generally are I-5, SR-520, The Washington Park Arboretum, 26th Ave E, E Roy St, 25th Ave E, E Thomas St, 21st Ave E, E Denny Way, 11th Ave E, E John St, 10th Ave E, E Roy St, Harvard Ave E, E Thomas St, Summit Ave E, and E John St.

Neighborhood

Description:

North Capitol Hill-Montlake is adjacent to the bustle of the Broadway shopping district, but is well removed in commercial use. This is predominantly a residential neighborhood with Craftsman-style and one-story Tudor houses built in the early 20th century.



The small commercial districts in North Capitol Hill consist of several stores and nice restaurants dispersed throughout with most occurring along 10th, 15th, 19th, and 24th Avenue East. Samples of Landmarks located within this neighborhood are Volunteer Park, Lake View Cemetery, Interlaken Park and a number of historic churches.

Little has changed in this neighborhood commercially from last year. Sales and redevelopment activity continues along 12th, 15th and 19th streets with multiple projects continuing. Much like most of the outer neighborhoods around Capitol Hill and probably the city of Seattle, infill and redevelopment of single family homes into multifamily properties continues to be a popular trend in this neighborhood as well. As with most neighborhoods lately, the trend has been development of single family or small 2-4 family properties into multiple parcel segregations supporting new multiple story single family townhomes.

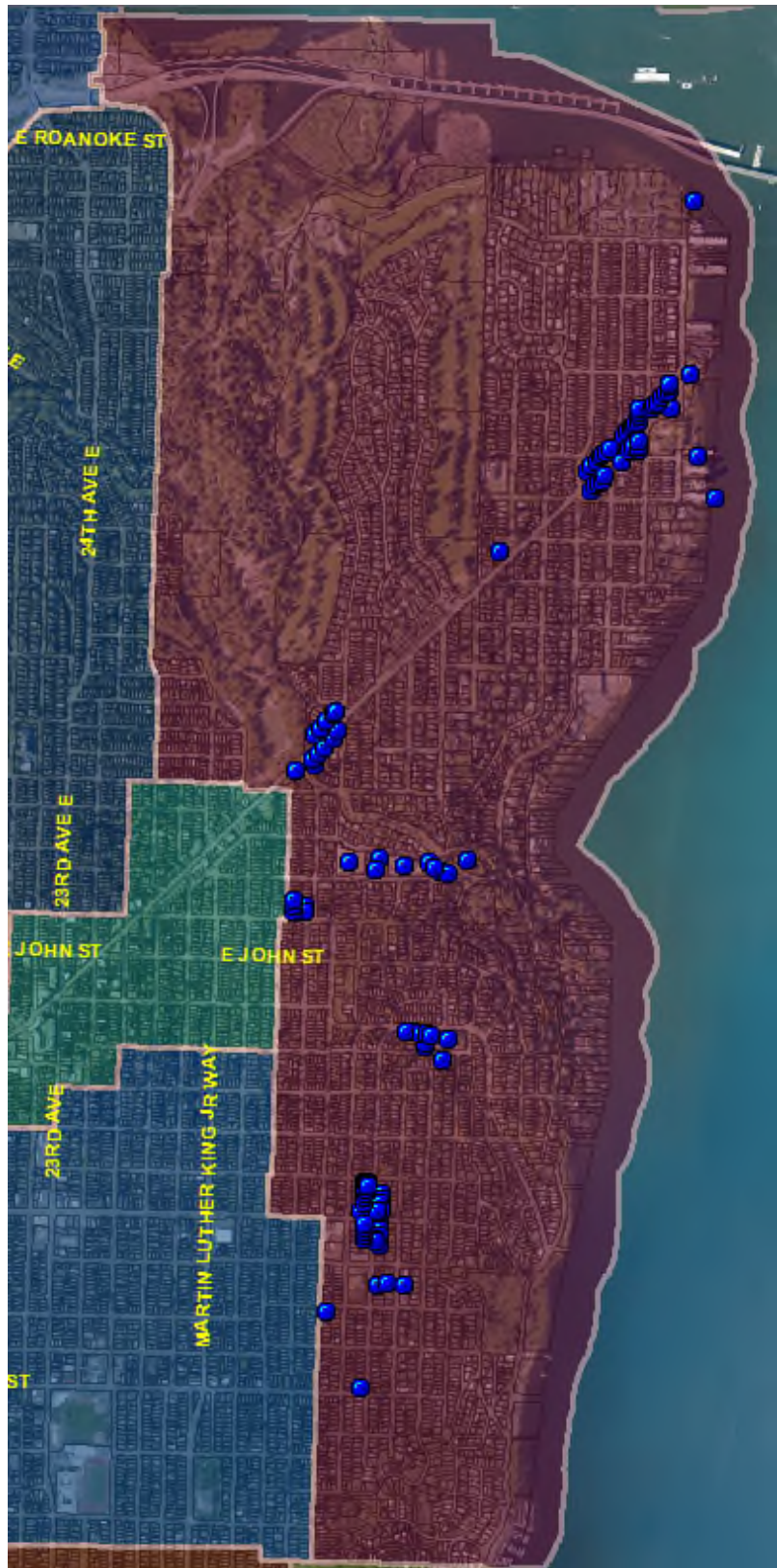
Madison Park-Madrona, (25-47)

Boundaries: Clockwise from the east, the boundaries are generally Lake Washington, an east/west line parallel to E Spruce St, 32nd Ave, E Union St, 30th Ave, E Roy St, 26th Ave E, and the western edge of the Washington Park Arboretum.

Neighborhood Description:

This Madison Park / Madrona neighborhood runs north to south along the west shore of Lake Washington. There are a number of waterfront multi-family developments and small lakeside parks. One large draw is the Seattle Arboretum. There are also a number of private schools throughout. The commercial activity is mostly centered in Madison Park along Madison Street from McGilvra Blvd out to the lake and in Madrona on 34th Ave and E. Union Street.

Very little major new nonresidential construction has occurred within this neighborhood over the past few years. Madrona Refuge, completed in 2014, was the most notable recent new construction. Located on 34th Ave and half a block south of the Union Street intersection it consists of street level retail with 26 neighborhood office spaces on the upper floors.



Physical Inspection Area

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. Neighborhood 25-43 was physically inspected for the 2018 assessment year. This inspection area neighborhood comprised 188 parcels, or approximately 13.79% of the 1,363 total parcels located in Area 25 (not including specialty properties). A list of the physically inspected parcels is included in the addendum of this report.

Scope of Data

Land Value Data: Vacant commercial land sales in Area 25 that closed between 1/1/2015 to 12/31/2017 were given primary consideration for valuing the land parcels in Area 25. Only sales that were recorded as “arm’s length” in the assessor’s records were used. Transactions from other nearby areas were considered as well; these sales do not appear in the list of “Vacant Sales for Area 25 Used,” but can be found in adjoining commercial area reports. 44 arm’s length land sales closed during this period. These sales were given primary consideration for determining land values as of 1/1/2018.

The primary unit of comparison considered was price per square foot of land area. “Shell” sales, interim use sales, tear down sales, and land transactions that included plans and permits were considered in the analysis of the land values. The sales comparison approach generally is considered the most reliable method for land valuation. Zoning, location, date of sale, and topography were primary variables considered in the valuation process.

Improved Parcel Total Value Data: Improved sales that closed between 1/1/2015 to 12/31/2017 were given primary consideration for valuing the parcels in Area 25. 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 contacting either the purchaser or seller, inquiring in the field or contacting the real estate broker. Characteristic data is verified for all sales when possible. Sales are listed in the “Sales Used” and “Sales Not Used” sections of this report. Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.

Land Value

Land Sales, Analysis, Conclusions:

Geographical Area 25 market continues to experience upward influence on land values due to its proximity to Seattle CBD and South Lake Union. Within this area, there are 49 verified commercial land sales that occurred during the last three years that were utilized in analysis for the 2017 revalue. Land sales activity slowed down in 2017. There were 12 arms-length transactions in 2017 compared to 26 in 2016. If this trend continues into 2018 it may be a sign of the current development boom in Area 25 is coming to an end. That may be because all available land has been developed and builders are moving onto other areas; or it may be because supply and demand are coming into balance so developers are less willing to take the risk of building new construction going forward.

In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods or nearby areas were considered. The new land values are based on neighborhood land sales that are equalized with adjacent and similarly zoned properties. In most of these neighborhoods, new commercial development sites are being created through the demolition of existing buildings.

The primary unit of comparison considered was based on price per square foot of land area. “Shell” sales, interim use sales, tear down sales, and land transactions that included plans and permits or outlier sales were reviewed individually in the analysis of the land values. Zoning, location, date of sale, and topography were primary variables considered in the valuation process. Every effort was made to equalize the assessed land values of similarly zoned land between adjacent areas. Assessed land values are based on land sales of properties with similar development potential. Only sales verified as “arms-length” were used in the market analysis.

The total recommended assessed land value for the 2018 assessment year is \$7,917,319,600. The recommended land values for the 2018 assessment year result in an increase from the 2017 assessment of 17.21%. The preceding totals include all taxable and nontaxable parcels in Area 25, excluding government owned parcels.

Change in Assessed Land Value by Area				
Neighborhood	2017 Land Value	2018 Land Value	Change	% Change
25-41	\$1,293,425,280	\$1,470,783,400	\$177,358,120	13.71%
25-42	\$1,936,815,460	\$2,317,970,700	\$381,155,240	19.68%
25-43	\$706,686,800	\$858,961,000	\$152,274,200	21.55%
25-44	\$478,497,800	\$577,683,700	\$99,185,900	20.73%
25-45	\$590,302,290	\$719,393,500	\$129,091,210	21.87%
25-46	\$1,425,810,640	\$1,569,777,500	\$143,966,860	10.10%
25-47	\$323,217,600	\$402,749,800	\$79,532,200	24.61%
Total	\$6,754,755,870	\$7,917,319,600	\$1,162,563,730	17.21%

Neighborhoods and Sales

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

Area 25-41 – Broadway and Pike/Pine

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	041	925690	0100	5,614	2818735	\$1,800,000	08/29/16	\$320.63	NC3P-65
025	041	066000	2490	10,470	2815833	\$7,250,000	08/11/16	\$692.45	NC3P-85
025	041	684870	0070	3,816	2800032	\$1,320,246	05/16/16	\$345.98	MR
025	041	880490	0735	5,000	2762154	\$1,572,500	10/15/15	\$314.50	MR
025	041	600300	0530	6,431	2738977	\$2,900,000	06/23/15	\$450.94	NC3P-65
025	041	600350	0690	4,840	2721510	\$900,000	03/26/15	\$185.95	NC3-40
025	041	880490	0335 0340	9,000	2708517	\$3,100,000	01/02/15	\$344.44	NC3P-65



E#2818735: This is an old auto shop at the corner of Union St and 10th Ave. The buyer a subsidiary of developer American Classic Homes out of Mercer Island. The buyer plans on building multi-family 5 stories high with commercial on 1st level according to CoStar.



E#2815833: This is a parking lot on the north side of Pine St between I-5 and Melrose Ave. The buyer is planning on building a 3,200 SF restaurant over 72 apartments, 6,000 SF of street-front retail, and 35 underground parking stalls.



E#2800032: This property on Howell St at Belmont Ave has a convenience store in front of a duplex. It was bought by a developer who has proposed building a 7-story apartment building containing 77 units over retail on this site.



E#2762154: This is a vacant site on Summit Ave between E Howell St and E Olive St. At the time of sale, permits were renewed to build an apartment building on this parcel. The actual sales price was \$1,850,000, but a downward adjustment of \$277,500 (15%) was applied to account for the premium paid for permits.



E#2738977: This was a restaurant at the NW corner of E Pike St and Harvard Ave. The buyer bought it with the intention of waiting for leases to expire in 12/2017, or buy them out, then redevelop the property with a new mixed-use building. The building was demolished in Spring 2017.



E#2721510: This is a former plumbing and heating office on 12th Ave between E Howell St and E Olive St. A few months after the sale, an application was filed to build a 4-story building with 34 dwelling units over 800 SF of street-front retail.



E#2708517: Two parcel all cash sale of old Auto dealership on E Pike St and Belmont Ave. Within 2 years of this sale, a 6-story, 60-unit apartment building was built with 3,693 SF of street-front retail and 30 underground parking stalls, marketed as Bayside Motor Apartments.

Area 25-42 – First Hill

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	042	197820	0775	7,200	2893894	\$3,350,000	10/06/17	\$465.28	HR
025	042	859040	0880 0885 0900	21,600	2840832	\$9,940,000	12/21/16	\$465.28	HR
025	042	539210	0020	7,200	2805944	\$3,200,000	06/24/16	\$444.44	HR
025	042	859090	0490 0495 0505 0510 0515 0516 0555	72,042	2801292 2801298	\$29,300,000	06/08/16	\$406.71	HR
025	042	197920	0285	7,680	2752478	\$3,000,000	08/25/15	\$390.63	NC3P-160



E#2893894: This surface parking lot received four offers within a week of being marketed at an asking price of \$3,200,000. The broker then released a “best and final bid date” of 30 days, and eight additional offers were received in that time. The winning bidder is a developer that plans on building a new multifamily development.



E#2840832: This is a parking lot at the north corner of 8th Ave and Columbia St. The sale included plans and permits to build a 30-story tower containing 287 apartment units over 234 parking stalls. The actual sales price was \$14,200,000, but a 30% discount was applied to account for the premium paid for plans and permits.



E#2805944: This is the sale of a parking lot that was used by Bloodworks for their nearby office. It was bought by a partnership between Frye Art Museum and WestBank Corp, a developer out of Vancouver, BC focused on building artistic buildings. This parcel will be combined with the neighboring parking lot (already owned by Frye Art Museum) to build an artistic 33-story twin tower development with 440 apartments over 7,600 SF of retail.



E#2801298 & 2801292: These two sales had the same buyer, a developer who bought the full block formed by James St, Boren Ave, Jefferson St, and Terry Ave. A 337-unit apartment building is now under construction on this block, with 5,685 SF of retail and 280 underground parking stalls.

In addition, the parcel at the west corner of James St and Boren Ave was included in the sale. A 7-story, 75-unit apartment building is now under construction on this parcel.



E#2752478: This is a multi-tenant retail property at the corner of Madison St and 9th Ave that was encumbered with some contamination issues at the time of sale. Soon after the sale, a permit application was filed to build a "121,000 SF, 17-story, Mixed Use Structure with approx. 6,000 SF Commercial, 304 units and no parking spaces." The actual sales price was \$2,800,000, but a \$200,000 upward adjustment was applied to account for the contamination.

Area 25-43 – Madison

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	043	332504	9010 9057	10,288	2895152	\$3,235,000	10/12/17	\$314.44	NC2-40
025	043	949770	0075	8,800	2890844	\$3,220,000	09/22/17	\$365.91	NC3P-65
025	043	332504	9008 9009 9053 9056	12,949	2891226	\$4,200,000	09/20/17	\$324.35	NC2-40
025	043	723460	1330	13,964	2821652	\$3,210,000	09/08/16	\$229.88	NC2-40
025	043	095500	0590	3,520	2813815	\$864,000	07/27/16	\$245.45	NC2P-40
025	043	600300	0990 0995 1005	16,950	2812594	\$7,600,000	07/21/16	\$448.38	NC3-40
025	043	722850	1945 1950	14,993	2806352	\$3,000,000	06/21/16	\$200.09	LR3
025	043	982820	0220	6,385	2794564	\$910,000	04/22/16	\$142.52	LR1
025	043	332504	9008 9009 9010 9053 9056 9057	23,237	2782674 2782677 2782680	\$5,325,000	02/29/16	\$229.16	NC2-40
025	043	022200	0020	5,700	2740868	\$1,775,000	07/02/15	\$311.40	NC3P-65



E#2895152 In February 2016, a developer bought six parcels with plans for a large development fronting both 19th and 20th Ave (see E#2782674, 2782677, 2782680). Those plans were abandoned after they were unsuccessful getting these parcels up zoned from a 40 to 65 foot height limit. They then decided to sell the land as two development sites; one fronting 19th Ave and one fronting 20th Ave (see E#2891226). This is the sale of the 19th Ave development site. The fact that it sold for 37% more than in 2016 (\$314/SF vs. \$229/SF) is strong evidence of how quickly land values are appreciating in this neighborhood. No plans or permits were included in the sale to the best of our knowledge.



E#2890844: This is a sale from one developer to another. A developer bought this parcel at the north corner of E Denny Way and E Madison St in 2014 for \$1,800,000 (\$205/SF), and then entitled the site with plans and construction permits to the point that this site was “shovel-ready” at the time of this sale. The old improvement was demolished less than a month after the sale closing date. The actual sale price was \$4,600,000, but we applied a \$1,380,000 (30%) downward adjustment for it being “shovel-ready.” Even with that adjustment, this price is a 79% increase over the 2014 sale price, which is another indicator of just how much land values have appreciated in this neighborhood since 2014.



E#2891226: In February 2016, a developer bought six parcels with plans for a large development fronting both 19th and 20th Ave (see E#2782674, 2782677, 2782680). Those plans were abandoned after they were unsuccessful getting these parcels up zoned from a 40 to 65 foot height limit. They then decided to sell the land as two development sites; one fronting 20th Ave and one fronting 19th Ave (see E#2895152). This is the sale of the 20th Ave development site. The fact that it sold for 41% more than in 2016 (\$324/SF vs. \$229/SF) is strong evidence of how quickly land values are appreciating in this neighborhood. No plans or permits were included in the sale to the best of our knowledge.



E#2821652: This site at the NW corner of 19th Ave and E Pine St was purchased by a multi-family home developer. Before the sale closed, the buyer began the process of applying to build 18 townhomes with 10 parking stalls. Soon after the sale closed, that plan was changed to a 4-story multifamily building with 90 units and 11 parking stalls.



E#2813815: This 3,520 square foot lot has two old buildings on it, a commercial space fronting E Madison St with a residence in back. It is located just east of 23rd Ave E. At the time of sale, the buyer stated they plan on “renting if for the first couple years” then developing a 22-unit apartment building on this site. In May 2017, a permit application was submitted to build a 10,000 square foot building with 17 apartment units (mostly small efficiency dwelling units) and 470 square feet of retail.



E#2812594: This is the sale of an auto repair shop located at the corner of 12th Ave and E Olive St. This is a sale/leaseback. The seller is the auto repair shop, and they signed a 2 year lease with the buyer during the sale's closing. However, the buyer is a developer that is proposing to build a 5-story apartment building with 69 units over street-front retail. The price per square foot of this sale is much higher than expected compared to similar sales, so we suspect a premium was paid for the ability to collect rents for a couple years as permits are finalized.



E#2806352: These two parcels located on the east side of 20th Ave, south of E Madison St, were bought by Isola Homes, who plans on building 3 buildings totaling 15 townhomes and 2 live-work units, with 16 off-street parking stalls.



E#2794564: Isola Homes bought this parcel located on the west side of 25th Ave, north of E Olive St. Soon after the sale, they divided the parcel into four parcels (-0220, -0221, -0222, -0223), tore down the single family home that was on this site, and begun construction of 4 townhomes.



E#2782674, 2782677, 2782680: A developer bought these six parcels that front both 19th Ave and 20th Ave, north of E Madison St, with the intention of building a 5-story building containing 156 residential units and 4 live-work units over 117 parking stalls.



E#2740868: Sale of single parcel at the NE corner of E Pike St and 14th Ave improved with older 2 story mixed use building. This property was listed on market over 2 years and was purchased for future redevelopment project.

Area 25-44 –Eastlake

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	044	290220	0400	28,040	2895593	\$8,200,000	10/11/17	\$292.44	LR2
025	044	196520	0015	5,862	2826280	\$1,165,000	09/30/16	\$198.74	LR3 RC
025	044	202504	9131	15,261	2812704	\$4,300,000	07/27/16	\$281.76	C1-40
025	044	202504	9149 9154 9156	14,250	2805598	\$3,500,000	06/24/16	\$245.61	LR2 RC
025	044	195970	0170	5,500	2802673	\$1,200,000	06/02/16	\$218.18	LR2
025	044	338390	0145	6,700	2728644	\$944,000	05/04/15	\$140.90	C1-40
025	044	195970	1390	11,000	2714657	\$2,210,000	02/20/15	\$200.91	LR3 RC



E#2895593: This is the sale of 4 parcels at the SW corner of Minor Ave E and E Lynn St. The buyer plans on building 27 townhouses.



E#2826280: This is the sale of a site on Yale Terrace E between E Hamlin St and E Edgar St. Yale Terrace E is a narrow alleyway and this site has little visibility from outside this alleyway. Soon after the sale, the buyer divided this parcel into 4 parcels (-0012, -0013, -0014, -0015) in preparation to build 4 single-family homes. The sale included permits which the buyer estimated to be worth \$300,000 to \$400,000. Thus, a downward adjustment of \$350,000 (23%) was applied to the actual sale price of \$1,515,000.



E#2812704: The buyer plans on building an assisted living facility on this parcel, but also reported collecting some rental income in the meantime. The price is high compared to other similar sales, so we conclude that a premium was paid, on top of the land value, for the interim income.



E#2805598: This is a redevelopment site on Fairview Ave E, west of E Louisa St. The buyer plans on building 6 row-houses.



E#2802673: This 4-plex on Franklin Ave E between E Edgar St and E Roanoke St was sold to a developer, who has since applied for permits to build two single-family homes as well as a duplex on this site.



E#2728644: This is the sale of a vacant lot at the NE corner of Eastlake Ave E and E Blaine St. Development plans are unknown at this time.



E#2712353: This is a sale of a vacant lot on Franklin Ave E south of E Shelby St. After this sale, it was combined with the lot to the north to develop 10 townhomes on this site. Construction of these townhomes was completed in 2016.



E#2673092: This site was formerly home to the original Red Robin restaurant. This restaurant was closed in March 2010. The buyer tore-down this building in August 2014. Two new buildings containing 62 apartments, around 2,000 square feet of retail space and 21 parking stalls is proposed for this site.



E#2714657: This site was purchased by a developer, who tore down the old 2,400 square foot apartment on this site and built Eastlake Flats, a 7-story complex with 103 micro-housing units and 7 traditional apartments. Construction of Eastlake Flats finished in 2016.

Area 25-45 – Central District

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	045	225450	2245	7,680	2899057	\$1,475,000	10/23/17	\$192.06	LR1
025	045	722850	0182 0805 0809	23,394	2893759	\$4,500,000	10/06/17	\$192.36	NC2P-75 (M1)
025	045	721740 721740 721740 721740 721740 722850 722850 722850 722850	0750 0760 0772 0805 0809 0162 0170 0175 0182	106,254	2866094	\$23,250,000	05/23/17	\$218.82	NC2P-40
025	045	225450	1310	10,240	2853451	\$1,800,000	03/03/17	\$175.78	LR2
025	045	193480	0090	19,418	2837116	\$2,625,000	11/28/16	\$135.18	LR2
025	045	225450	1300 1305	12,800	2788956	\$2,750,000	04/06/16	\$214.84	LR2
025	045	723460	1444 1446 1447 1448 1449 1450 1451	7,597	2777797	\$1,350,000	01/26/16	\$177.70	NC1-30
025	045	722850	0500	5,530	2733241	\$815,000	05/26/15	\$147.38	NC2P-40



E#2899057: This is the sale of a parking lot at the SE corner of E Columbia St and 18th Ave E. The seller was working with a broker to figure out the best use of their various land holdings. That broker got in touch with the buyer in late 2016 for help determining this property's development potential in an effort to find its value. He found building 8 row-houses was the highest and best use. That evolved into an offer from the buyer to buy this parcel for \$1,300,000. The seller countered with \$1,475,000 the buyer accepted. The buyer agreed to lease it back to the seller for 14 months, but said this did not impact the value since it will take that long to permit.



E# 2866094 & 2893759: These two transactions represent the change of ownership of Midtown Center, a block bound by 23rd Ave, E Union St, 24th Ave, and S Spring St. The sellers abandoned their plan to redevelop this block after the Design Review Board rejected the original proposal in January 2017. Lake Union Partners agreed to partner with nonprofit community land trust, Africatown, to buy the site and spur new life into this project. They've proposed 435 housing units (125 reserved for low-income tenants) and 20,000 square feet of commercial space. Lake Union Partners bought the whole block under E#2866094, and then Africatown bought the southerly 3 parcels from Lake Union Partners under E#2893759.



E#2853451: This old church at the NW corner of E Spring St and 14th Ave was bought by the same developer who bought the two parcels neighboring it to the north (E#2788956) as part of an assemblage. CoStar says they plan on building 22 homes on this site. A boundary adjustment to split these three parcels into four parcels has been submitted. Development proposals have also been submitted for developing two of the four parcels with six townhomes on each parcel (twelve units total). Proposals to develop the other two parcels are expected in the near future.



E#2837116: This site with an old garden-style apartment at the NW corner of 18th Ave and E Spruce St was bought by Isola Homes. Soon after the sale, they divided this parcel into three parcels, in preparation for building townhomes on this site.



E#2788956: This is a vacant lot, on 14th Ave north of Spring St that has historically been used as parking for the Seattle Word of God Church neighboring this site to the south. The church sold it to Isola Homes. CoStar says they plan on building 22 homes on this site. A boundary adjustment to split these three parcels into four parcels has been submitted. Development proposals have also been submitted for developing two of the four parcels with six townhomes on each parcel (twelve units total). Proposals to develop the other two parcels are expected in the near future.



E#2777797: This is the sale of 7 townhome sites on E Union St between 18th Ave and 19th Ave. Construction of these townhomes began soon after the sale.



E#2733241: This parcel located on 23rd Ave, just north of Union St, is the former site of the Seattle branch of Friends of the Children, a non-profit mentoring organization. The property was purchased by an LLC associated with the owner of Uncle Ike's Pot Shop, which is located approximately 300 feet south of this parcel. It is now being used as an administrative office for Uncle Ike's Pot Shop, which is considered an interim use. The buyer confirmed that the sales price reflects the land value of this property.

Area 25-46 – North Capitol Hill-Montlake

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	046	266300	0485	8,000	2819534	\$1,623,750	08/29/16	\$202.97	LR3
025	046	191210	0620	4,500	2809941	\$860,000	06/28/16	\$191.11	NC1-40
025	046	949770	0060 0065	9,150	2792057	\$1,650,000	04/25/16	\$180.33	LR3
025	046	095800	0105	8,400	2775656	\$766,160	01/04/16	\$91.21	SF 5000



E#2819534: This is the sale of an old apartment on Federal Ave E, north of E Roy St. The building was mostly vacant at the time of sale. One month after the sale, permits were issued to build 8 townhomes at this site. The actual sales price was \$2,165,000, but a \$541,250 (25%) downward adjustment was applied to account for plans and permits being included with the sale.



E#2809941: This is a home office on 10th Ave E, north of Miller St, which was bought by a developer. After the sale, they applied for permits to build 2 live-work units and 4 townhomes over a garage. It was resold 4 months later for \$1,050,000 (\$233.33/SF). We marked this second sale as not a good indicator of market value because it was inflated by the inclusion of plans and permits.



E#2792057: Sale of two parcels on 21st Ave E, north of E Denny Way. Within months of the sale, construction began on a new 75-unit apartment building. The actual sales price was \$2,200,000, but a \$550,000 (25%) downward adjustment was applied to account for plans and permits being included with the sale.



E#2775656: This is a former church at the corner of 22nd Ave E and E Thomas St. Soon after the sale, the buyer split this parcel into two (-0105 & -0107) in preparation to build two single family homes.

Area 25-47 –Madison Park-Madrona

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	047	715220	0015	5,000	2879237	\$1,799,812	07/21/17	\$359.96	NC1-30
025	047	715220	0300	4,700	2721345	\$825,000	03/23/15	\$175.53	NC1-30



E#2879237: This property was listed at an asking price of \$1,200,000 on May 10, 2017, and went pending on May 26 for an exposure time of 16 days. The seller said they had 11 offers. The buyer plans 4 townhomes and 3 live-work units (7 units total). In the meantime, the property is rented as a rooming house for 8 tenants (on month to month leases), plus retail unit at street front. The price per square foot of this sale is much higher than expected compared to similar sales, so we suspect a premium was paid for the ability to collect rents for a couple years as permits are finalized.



E#2721345: This is a sale of an old house that was converted to commercial space on 34th Ave in Madrona. Since the sale, the buyer has applied for permits to build multiple live-work units.

Zoning Descriptions:

Residential / Multi-Family

SF 9600 / 7200 / 5000: Single-Family Residential, 9,600 / 7,200 / 5,000 square foot minimum lot area - Typically detached single-family structures on lots compatible with the neighborhood character.

RSL/TC: Residential Small Lot, permissive of Tandem Housing & Cottage Housing - An area within an urban village that allows for the development of smaller detached homes.

LR1 / LR1 RC*: Low-rise 1 - This zone provides a transition between single family zoned areas and more intense multifamily and commercial areas. Townhomes are common in this zone.

LR2 / LR2 RC*: Low-rise 2 - This zone provides for a variety of multifamily housing types in existing multifamily neighborhoods and along arterial streets up to 3 stories high.

LR3 / LR3 RC*: Low-rise 2 - This zone provides for a variety of multifamily housing types in existing multifamily neighborhoods of moderate scale up to 3 stories high.

** Ground Floor commercial uses are only allowed in LR zones with the RC suffix*

MR: Midrise – This zone encourages apartment buildings up to 60 feet high with ground-floor commercial.

HR: High-rise – This zone encourages high-density apartment buildings near transit, commercial services, and employment.

Commercial

NC1: Neighborhood Commercial 1 - A small shopping area that provides primarily convenience retail sales and services to the surrounding residential neighborhood.

NC2: Neighborhood Commercial 2 - A moderately sized pedestrian-oriented shopping area that provides a full range of retail sales and services to the surrounding neighborhood.

NC3: Neighborhood Commercial 3 - A larger pedestrian-oriented shopping district serving the surrounding neighborhood and a larger community, citywide or regional clientele.

C1: Commercial 1 - An auto-oriented, primarily retail/service commercial area that serves surrounding neighborhoods as well as a citywide or regional clientele.

C2: Commercial 2 - An auto-oriented, primarily non-retail commercial area, characterized by larger lots, parking, and a wide range of commercial uses serving community, citywide or regional markets.

P: Pedestrian-Designated Zones – this is applied to NC zones along pedestrian-oriented streets to preserve and encourage a shopping district where non-auto modes of transportation are strongly favored

The number at the end of NC or C zones refers to the height limit and is applied independently of the zone.

Areas recently up-zoned as part of the MHA legislation, allowing taller buildings in trade for affordability requirements, has a (M), (M1), or (M2) suffix. (M) has minor height increases and affordability requirements, (M1) has moderate height increases and affordability requirements, and (M2) has significant height increases and affordability requirements.

Industrial

IG1 U/45: General Industrial 1 – The intent this zone is to protect marine and rail-related industrial areas from an inappropriate level of unrelated retail and commercial uses by limiting these uses to a density or size limit lower than that allowed for industrial uses. “U/45” means that the height limit is unlimited, except for retail, office, entertainment, research and development, and institution uses which are limited to 45 feet.

Preliminary Ratio Analysis

The sales ratio study is an important assessment tool to ensure that properties are uniformly assessed based on market value. This analysis utilizes statistical methods to measure the relationship between a property's assessed value and its sale price by grouping individual sales according to property type and geographic area. This data can be used to review current assessment levels, identify inequities that need to be addressed, and assist in revaluation model development.

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.

A preliminary ratio study was done prior to revaluation. The results along with IAAO standards are shown below.

IAAO STANDARDS ON RATIO STUDIES		Preliminary Area 25 Values
Appraisal Level	0.90 to 1.10	0.791
Coefficient of Dispersion	5% to 15%	20.11%
Price Related Differential	0.98 to 1.03	1.04

The preliminary ratio study for Area 25 using 57 verified sales showed a mean assessed value of \$2,159,600 and a mean sales price of \$2,730,100, which indicates an appraisal level, as indicated by the weighted mean, of 79.1% The coefficient of variation (COV) was 26.01% and the coefficient of dispersion (COD) was 20.11% The price-related differential (PRD) was 1.04.

The low assessment level shows that assessed values should generally be raised. The high COD indicates that some properties will need to be adjusted more than others in order to increase the uniformity of assessment levels. The high PRD shows that the low assessed values occur more frequently and intensely among high value properties, so values of high valued properties will generally need to be raised more than values of low valued properties.

However, these results are based on a limited sales sample of a wide variety of heterogeneous property types. Among the 57 sales, 11 are office buildings, 10 are restaurants/bars/taverns, 9 are live-work units, 8 are small commercial condo units, 7 are mixed-use buildings with street-level retail and residential units above, 7 are retail buildings, 2 are medical offices, 1 is a gas station, 1 is a congregate housing complex, and 1 is a non-profit community center.

Office buildings are valued using the income approach due to an abundance of rental market data. 6 of the 10 restaurant/bar/tavern sales occurred in neighborhoods 41 and 43, so these property types in these neighborhoods are valued with the sales comparison approach. Live-work townhomes and commercial condo units are valued using the sales comparison approach, since most of these are owner-occupied. The remaining sales are used for guidance as a test of reasonableness for the income or cost model.

Improved Parcel Total Values

Sales comparison approach model description:

The sales comparison approach reflects the principles of supply and demand, balance, externalities, and substitution. It is most reliable when there is adequate sales data. All sales were verified with a knowledgeable party and inspected, when possible. The model for sales comparison 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.

Improved commercial sales dating from 1/1/2015 to 12/31/2017 were considered in the valuation. There were 59 arm's length improved sales during this period. Two of these sales were excluded from the ratio study. One made significant changes to the properties between the date of sale and the valuation date and one sale included an atypical absolute net lease which significantly affected the sales price. Sale data was obtained from excise tax records and verified with property owners, brokers, and/or agents whenever possible. Transactions from neighboring geographic areas were considered in the sales analysis as well. They are not included here, but can be found in the reports for neighboring areas.

In general, the sales comparison approach was utilized for properties where there were sufficient sales and rental market data was unavailable. The sale price unit value ranges serve to establish a general upper and lower market boundary for the various property types within the subject area and were useful when analyzing the income parameters and capitalization rates used in the income models for the various neighborhoods. Location, quality, and effective age were factors considered for adjustment. Stratification of these sales indicated the following market values applied for our valuation model:

Property Type	Typical Value Range per SF
Commercial Condominiums	\$320 - \$550
Live-Work Units	\$360 - \$665
Restaurants in 41 & 43	\$300 - \$600

Sales comparison calibration

Calibration of the coefficients utilized in the models applied via the sales comparison approach was established via an analysis of sales within each neighborhood. Individual prices were applied based on various characteristics deemed appropriate by each market. Given the relatively low sales count per property type, 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. Cost figures were adjusted to the western region and the Seattle area. Cost estimates were relied upon for valuing special use properties where comparable sales data and/or income and expense information is not available. These properties are typically exempt properties such as churches, schools, public utility buildings, and park improvements. Non-exempt buildings that are valued by the Cost method might be fraternal halls, daycares, and new or on-going construction.

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 considered a reliable approach to valuation throughout Area 25 for improved property types where income and expense data is available to ascertain market rates. Income parameters were derived from the market place and available real estate publications and websites.

Income: Income data was derived from the market place from landlords and tenants as well as through published sources (i.e. officespace.com, Commercial Brokers Association, Co-Star, and real estate websites such as CBRE, Colliers, Kidder Mathews, etc.), and opinions expressed by real estate professionals active in the market. The rental rates are based on a triple-net expense basis, excluding income from expenses typically reimbursed by a triple-net tenant. The one exception is residential uses, in which gross expenses were applied.

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 the appraiser's knowledge of the area's rental practices. The expense ratios for retail/mixed-use and industrial property types were based on typical expenses that a landlord would incur in a triple-net lease, excluding any expenses typically reimbursed by triple-net tenants. For residential uses, gross expenses were applied.

Capitalization Rates: An attempt is made to ascertain the capitalization rate on market sales or a pro-forma cap rate on the first year performance during the sales verification process. Most weight is placed on this data when it is available. Also, capitalization rate data was collected from published market surveys, such as Co-Star, Real Capital Analytics, The American Council of Life Insurance (Commercial Mortgage Commitments), Integra Realty Resources, Korpacz Real Estate Investor Survey (PWC), CBRE – National Investor Survey, etc. These sources typically have capitalization rates or ranges based on surveys or sales.

The effective age is used to estimate the condition of each building, which contributes to the rental rate and capitalization rate applied in the model. For example; a building in poorer condition with a lower effective year (1975, for example) will typically warrant a higher capitalization rate, and a building in better condition with a higher effective year (2010, for example) will warrant a lower capitalization rate.

The following table summarizes capitalization rates and trends reported by the industry publications that are relevant to Area 25.

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
			4.00% - 6.50%	-	Apartments – 1 st Tier Properties
			4.10% - 7.50%	-	Apartments – 2 nd Tier Properties
		West Region	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

The preceding tables summarize various ranges of capitalization rates and trends that are compiled and collected on a national or broad regional scale. This information is reconciled with data specific to the real estate market in Area 25 to develop the income model. The range of capitalization rates in the income model for Area 25 reflects the variety of properties in this area.

Income approach calibration

Income tables were developed for each of the seven neighborhoods that comprise Area 25. The tables pertain to the following property types: Office, Medical Office, Hospitals, Retail, Restaurants, Banks, Basements, Storage/Unfinished Space, Garages/Warehouses, and Apartments. Properties which contain differing section uses may have multiple tables that are applicable to the property as a whole. All tables are included in the addendum of this report.

The tables were calibrated after setting economic rents, vacancy, expenses, and capitalization rates by using adjustments based on size, quality of construction, and the effective age. When the value of the property by the income approach was less than the land value, a nominal \$1,000 value was allocated to the improvements.

Typical income model parameters for the various markets that make up Area 25 are summarized in the following table. It should be noted that due to the nature of commercial real estate, not all properties fall within the typical parameters.

Typical Income Model Parameters				
Area 25-41 Broadway-Pike/Pine				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$25 - \$29	5%	38% - 44%	5.00% - 6.75%
Retail/Restaurants	\$23 - \$38	5%	13% - 37%	6.20% - 7.60%
Basement/Parking	\$12 - \$25	5%	12% - 24%	6.60% - 8.10%
Area 25-42 First Hill				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$18 - \$40	5%	12% - 41%	4.75% - 6.75%
Retail/Restaurants	\$25 - \$34	5%	13% - 21%	6.35% - 7.60%
Basement/Parking	\$16 - \$25	5%	11% - 23%	6.60% - 8.00%
Area 25-43 Madison				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$15 - \$29	5%	14% - 32%	4.50% - 6.80%
Retail/Restaurants	\$25 - \$34	5%	16% - 25%	6.00% - 7.60%
Basement/Parking	\$12 - \$24	5%	19% - 38%	6.60% - 8.00%
Area 25-44 Eastlake				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$16 - \$20	5%	20% - 26%	4.75% - 6.00%
Retail/Restaurants	\$19 - \$29	5%	20% - 26%	6.20% - 7.90%
Basement/Parking	\$15 - \$25	5%	20% - 31%	6.75% - 8.00%
Area 25-45 Central District				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$19 - \$29	5%	19% - 47%	5.50% - 7.70%
Retail/Restaurants	\$19 - \$30	5%	19% - 31%	6.20% - 8.10%
Basement/Parking	\$12 - \$24	5%	17% - 31%	6.80% - 8.30%
Area 25-46 North Capitol Hill-Montlake				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$22 - \$30	5%	15% - 24%	5.00% - 7.50%
Retail/Restaurants	\$18 - \$35	5%	17% - 35%	6.35% - 7.60%
Basement/Parking	\$15 - \$25	5%	17% - 31%	6.30% - 8.30%
Area 25-47 Madison Park-Madrona				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$26 - \$39	5%	12% - 21%	5.25% - 6.25%
Retail/Restaurants	\$23 - \$30	5%	20% - 28%	6.35% - 7.50%
Basement/Parking	\$18 - \$25	5%	17% - 26%	6.40% - 7.90%

Reconciliation

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

The income approach to value was considered to be a reliable indicator of value in most instances. The total value generated from the income table calculations and the selected income values varied in some cases due to special circumstances, such as properties with excess land, inferior/superior location, superadequacy, or physical/functional obsolescence. Appraisal judgment prevailed when determining when to depart from the Assessor's table generated income model. An administrative review of the selected values was made by Dan Atkinson, Senior Appraiser for quality control purposes.

Model Validation

Total Value Conclusions, Recommendations and Validation

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

The standard statistical measures of valuation performance are presented in both the 2017 and 2018 Ratio Analysis charts included in this report. Comparison of the 2017 Ratio Study Analysis with the 2018 Ratio Study Analysis is shown in the table below. The weighted mean statistical measure of assessment level increased from 79.1% to 94.6%. The Coefficient of Dispersion (COD) went down from 20.11% to 14.39%, the Coefficient of Variation (COV) went down from 26.01% to 19.73%, and the Price-related Differential (PRD) from 1.04 to 1.03. The 2017 ratios are within the IAAO (International Association of Assessing Officers) appraisal guidelines for measures of valuation uniformity and equity. The ratio study presented in this report indicates substantial improvement in assessment level in addition improved uniformity. However with a sample size of only 57 improved sales for many different commercial types the weight given to the ratio study should be tempered.

	2017 Ratio	2018 Ratio	Difference
Assessment Level	79.1%	94.6%	+15.5%
Coefficient of Dispersion	20.11%	14.39%	-5.72%
Coefficient of Variation	26.01%	19.73%	-6.28%
Standard Deviation	0.2149	0.1915	-0.0234
Price Related Differential	1.04	1.03	-0.01

The total assessed values for Area 25 for the 2017 assessment year was \$6,509,206,200 and the total recommended value for the 2018 assessment year is \$7,471,398,700. This does not include specialty properties, but it does include commercial condos (not multi-family units). In addition the 2018 total does not include the value of new construction and it does not reflect the downward contamination adjustments that will be applied to several parcels by the contamination specialist appraiser. Application of these recommended values for the 2018 assessment year (taxes payable in 2019) results in a total value change of +14.78% from the previous year.

Change in Total Assessed Value			
2017 Total Value	2018 Total Value	\$ Change	% Change
\$6,509,206,200	\$7,471,398,700	\$962,192,500	14.78%

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 is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.*
- *I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.*
- *I have no bias with respect to the property that is the subject of this report or to the parties involved.*
- *My engagement in this assignment was not contingent upon developing or reporting predetermined results.*
- *My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.*
- *My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.*
- *The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.*
- *Services that I provided within the prior three years include physical inspection, revaluation, appeal response preparation, attendance and participation in hearings, data collection, sales verification, and identifying new construction and recording the corresponding data.*



David O'Hern
Commercial Appraiser I

Date: March 30, 2018

Area 25 Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

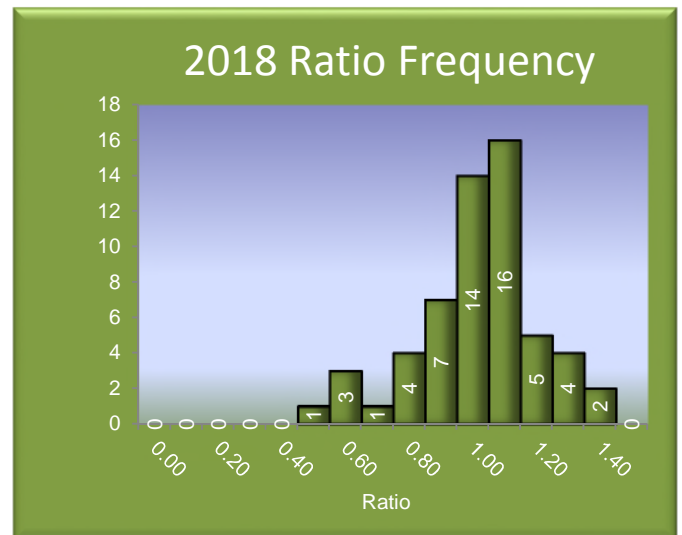
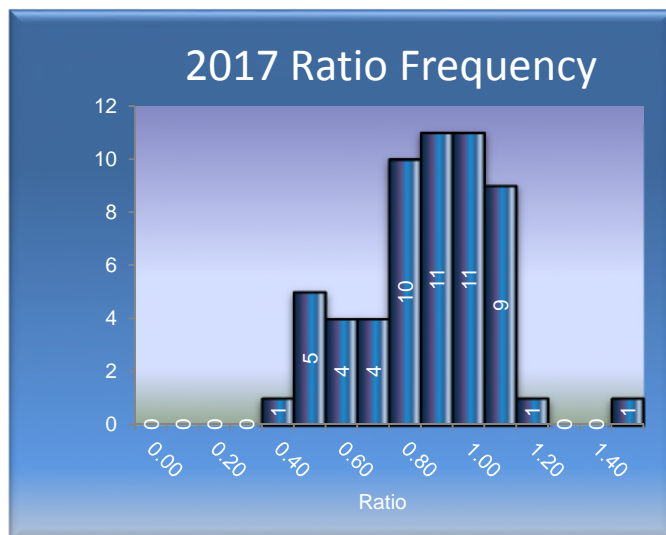
Pre-revalue ratio analysis compares sales from 2015 through 2017 in relation to the previous assessed value as of 1/1/2017.

PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	57
Mean Assessed Value	2,159,600
Mean Adj. Sales Price	2,730,100
Standard Deviation AV	3,851,773
Standard Deviation SP	4,324,621
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.826
Median Ratio	0.843
Weighted Mean Ratio	0.791
UNIFORMITY	
Lowest ratio	0.3855
Highest ratio:	1.4827
Coefficient of Dispersion	20.11%
Standard Deviation	0.2149
Coefficient of Variation	26.01%
Price Related Differential (PRD)	1.04

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)	57
Mean Assessed Value	2,583,600
Mean Sales Price	2,730,100
Standard Deviation AV	4,174,072
Standard Deviation SP	4,324,621
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.970
Median Ratio	0.997
Weighted Mean Ratio	0.946
UNIFORMITY	
Lowest ratio	0.4984
Highest ratio:	1.3785
Coefficient of Dispersion	14.39%
Standard Deviation	0.1915
Coefficient of Variation	19.73%
Price Related Differential (PRD)	1.03



Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	041	112950	0010	11,469	2786535	\$8,400,000	03/22/16	\$732.41	Walgreens @ Broadway & Pine	NC3P-65	1	69	Net Lease Sale; not in ratio
025	041	181780	0110	15,300	2883560	\$4,800,000	08/11/17	\$313.73	Former Zhu Dang Restaurant - Future Montessori	NC3P-65	1	Y	
025	041	516500	0010	1,329	2874497	\$650,000	06/29/17	\$489.09	MARQ THE	MR	2	Y	
025	041	600350	0470	35,631	2861493	\$14,000,000	04/28/17	\$392.92	Elliott Bay Books	NC3P-65	1	Y	
025	041	600350	1230	20,656	2888413	\$6,350,000	09/08/17	\$307.42	206 Broadway	NC3P-40	2	Y	
025	041	639550	0020	1,481	2776531	\$640,000	01/14/16	\$432.14	ONYX CONDOMINIUM	NC3P-65	1	Y	
025	041	684820	0656	4,400	2782576	\$2,099,500	03/01/16	\$477.16	LEEN & MOORE	MR	1	Y	
025	041	684870	0030	4,350	2870873	\$1,420,000	06/13/17	\$326.44	Amante Pizza & Pasta - Future Cannabis Retail	NC3P-65	1	Y	
025	041	685070	0130	1,500	2837369	\$950,000	11/21/16	\$633.33	New India Express Restaurant	NC3P-40	1	Y	
025	041	689150	0010	2,260	2770787	\$1,280,000	12/09/15	\$566.37	PRESS, THE	MR	1	Y	
025	041	872560	0420	11,903	2900986	\$8,800,000	11/14/17	\$739.31	BAROKAS & MARTIN LAW OFFICE	NC3P-65	3	Y	
025	041	872560	0550	2,042	2893769	\$1,090,000	09/08/17	\$533.79	Funke 1411 - OFFICE BUILDING	NC3-65	1	Y	
025	042	197820	0885	2,236	2758156	\$2,400,000	09/23/15	\$1,073.35	1320 PROFESSIONAL CENTER	HR	1	Y	
025	042	219760	0148	6,310	2873590	\$4,985,500	06/01/17	\$790.10	Emerald 10	MR	1	Y	
025	042	219810	0010	20,334	2876095	\$4,500,000	07/03/17	\$221.30	FENIMORE HOTEL	NC3-85	1	Y	
025	042	546410	0010	1,131	2743880	\$295,000	07/10/15	\$260.83	MERIDIAN	HR	1	Y	
025	042	780397	0010	44,862	2753523	\$28,000,000	09/01/15	\$624.14	601 BROADWAY MED BLDG	MIO-105-	1	Y	
025	043	103660	0040	1,148	2825365	\$640,000	09/26/16	\$557.49	Polished Boutique Spa at The Braeburn Condo	NC3P-65	1	Y	
025	043	181380	0030	2,010	2776440	\$1,120,000	01/07/16	\$557.21	Former Crush Restaurant	NC2-40	1	Y	
025	043	501600	0650	3,668	2731943	\$1,350,000	05/12/15	\$368.05	Sprague Building	NC2-40	1	Y	
025	043	501600	1670	2,856	2843592	\$1,399,500	01/06/17	\$490.02	SFR - OFFICE	NC2P-40	1	Y	
025	043	600300	0155	2,920	2832324	\$1,436,000	11/03/16	\$491.78	TAVERN	NC3-65	1	Y	
025	043	600300	1435	2,185	2831065	\$1,300,000	10/18/16	\$594.97	STORE - OFFICE & APT	NC3-40	1	Y	
025	043	808040	0130	4,590	2840575	\$2,000,000	12/15/16	\$435.73	LAMBERT HOUSE	LR3	1	Y	
025	044	195970	0015	7,720	2740639	\$4,242,500	07/01/15	\$549.55	retail	NC2-40	2	26	Imp changed after sale; not in ratio
025	044	195970	2715	4,160	2874900	\$1,975,000	06/21/17	\$474.76	2921 Eastlake Ave E	NC3-40	1	Y	
025	044	196720	0010	9,419	2878241	\$4,300,000	07/20/17	\$456.52	Archbright	C1-40	1	Y	
025	044	215460	0070	2,333	2775610	\$760,000	01/06/16	\$325.76	EAST BOSTON ST CONDOMINIUM	NC1P-30	1	Y	
025	044	290220	1045	6,160	2776709	\$1,850,000	01/13/16	\$300.32	office	NC2-40	1	Y	
025	044	290220	1176	17,098	2905754	\$7,088,800	12/08/17	\$414.60	Pete's Supermarket	LR2 RC	2	Y	
025	044	732625	0010	2,894	2891618	\$950,000	09/20/17	\$328.27	RIVA AT LAKE UNION CONDOMINIUM	C1-65	1	Y	
025	044	745997	0050	1,202	2731069	\$506,756	05/11/15	\$421.59	RUBY CONDOMINIUM	NC3-40	1	Y	
025	044	866990	0030	1,414	2787616	\$530,000	03/25/16	\$374.82	Tramonti At Lake Union Condominium	NC3-40	5	Y	
025	045	225450	0805	1,956	2852560	\$4,030,000	03/09/17	\$2,060.33	SHELL FOOD MART & CAR WASH	MIO-65-N	1	Y	
025	045	721740	0576	2,097	2834698	\$725,000	11/14/16	\$345.73	Live-Work Townhouse	NC2P-40	1	Y	
025	045	721740	0579	1,750	2763690	\$722,500	10/20/15	\$412.86	Live-Work Townhouse	NC2P-40	1	Y	
025	045	721740	0580	1,755	2843294	\$745,000	12/20/16	\$424.50	Live-Work Townhouse	NC2P-40	1	Y	
025	045	722850	0321	1,176	2808510	\$400,000	07/12/16	\$340.14	Former Collins Gold Exchange	NC2P-40	1	Y	
025	045	722850	1625	3,196	2831411	\$1,200,000	10/28/16	\$375.47	Chuck's Hop Shop	NC2P-30	1	Y	
025	045	722850	1733	2,095	2883861	\$760,000	08/16/17	\$362.77	Triplex with Street-Front Retail	NC2P-30	1	Y	
025	045	794830	0155	5,700	2756802	\$1,368,000	09/16/15	\$240.00	Restaurant	MIO-65-N	1	Y	
025	045	794930	0005	21,450	2762465	\$3,700,000	10/19/15	\$172.49	WRIGHT BUILDING	NC3P-40	2	Y	
025	045	912610	1725	1,430	2751837	\$367,000	08/17/15	\$256.64	707 23rd Ave	NC1-30	1	Y	
025	046	133880	0075	4,160	2883622	\$1,055,000	07/26/17	\$253.61	RETAIL & OFFICES	NC1-40	1	Y	
025	046	266300	0455	2,850	2849936	\$1,320,000	02/21/17	\$463.16	SFR - OFFICES	LR3	1	Y	

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	046	330370	0115	1,876	2710836	\$1,525,000	01/21/15	\$812.90	Former Capitol Hill Animal Clinic - Future Uncle Ike's	NC2P-40	1	Y	
025	046	423240	0635	33,054	2864241	\$11,250,000	05/10/17	\$340.35	SHOPRITE DRUGS	NC2P-40	2	Y	
025	046	600350	1919	1,555	2870661	\$1,545,000	06/07/17	\$993.57	SFR - LAW OFFICES	LR3	1	Y	
025	046	942140	0040	9,700	2765706	\$2,500,000	11/05/15	\$257.73	GROUP HEALTH CREDIT UNION	NC2P-40	1	Y	
025	046	942140	0040	9,700	2727726	\$2,500,000	04/30/15	\$257.73	GROUP HEALTH CREDIT UNION	NC2P-40	1	Y	
025	047	438570	0085	2,787	2896153	\$1,380,000	10/11/17	\$495.16	4114-4118 E Madison St	NC1P-30	1	Y	
025	047	531910	0235	2,470	2795108	\$1,100,000	04/21/16	\$445.34	Triplex	LR3	1	Y	
025	047	715220	0040	1,371	2745558	\$849,900	07/22/15	\$619.91	34th St Townhomes - Live-work unit	NC1-30	1	Y	
025	047	715220	0041	1,371	2746286	\$829,000	07/28/15	\$604.67	34th St Townhomes - Live-work unit	NC1-30	1	Y	
025	047	715220	0225	7,400	2793128	\$2,549,000	04/29/16	\$344.46	Madrona Plaza Building	NC1-30	1	Y	
025	047	715220	0255	1,040	2878087	\$661,675	07/11/17	\$636.23	Pike Station Live-Work Unit A (Over driveway access)	NC1-30	1	Y	
025	047	715220	0257	1,422	2737284	\$695,000	06/14/15	\$488.75	Pike Station Live-Work Unit C	NC1-30	1	Y	
025	047	715220	0257	1,422	2841374	\$729,000	12/12/16	\$512.66	Pike Station Live-Work Unit C	NC1-30	1	Y	
025	047	715220	0259	1,529	2772086	\$745,000	12/10/15	\$487.25	Pike Station Live-Work Unit E	NC1-30	1	Y	

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	041	066000	2490	10,470	2815833	\$7,250,000	08/11/16	\$692.45	PARKING LOT	NC3P-85	1	Y	
025	041	600300	0530	6,431	2738977	\$2,900,000	06/23/15	\$450.94	Retail	NC3P-65	1	Y	
025	041	600350	0690	4,840	2721510	\$900,000	03/26/15	\$185.95	SFR -JAY FREES PLUMBING & HEAT	NC3-40	1	Y	
025	041	684870	0070	3,816	2800032	\$1,320,246	05/16/16	\$345.98	STORE & DUPLEX	MR	1	Y	
025	041	880490	0335	9,000	2708517	\$3,100,000	01/02/15	\$344.44	BAYSIDE MOTORSPORTS	NC3P-65	2	Y	
025	041	880490	0735	5,000	2762154	\$1,572,500	10/15/15	\$314.50	SFR - Duplex	MR	1	Y	
025	041	925690	0100	5,614	2818735	\$1,800,000	08/29/16	\$320.63	FINER DETAILS	NC3P-65	1	Y	
025	042	197820	0775	7,200	2893894	\$3,350,000	10/06/17	\$465.28	VIRGINIA MASON PARKING	HR	1	Y	
025	042	197920	0285	7,680	2752478	\$3,000,000	08/25/15	\$390.63	RESTAURANT	NC3P-160	1	Y	
025	042	539210	0020	7,200	2805944	\$3,200,000	06/24/16	\$444.44	PARKING LOT	HR	1	Y	
025	042	859040	0875	10,800	2910204	\$5,750,000	12/29/17	\$532.41	PARKING LOT LEASED TO UPARK	HR	1	Y	
025	042	859040	0880	21,600	2840832	\$9,940,000	12/21/16	\$460.19	COMMERCIAL PKG LOT	HR	3	Y	
025	042	859090	0490	48,522	2801292	\$19,100,000	06/03/16	\$393.64	PARKING LOT	HR	5	Y	
025	042	859090	0510	23,520	2801298	\$10,200,000	06/08/16	\$433.67	SAN JUAN APTS	HR	2	Y	
025	043	022200	0020	5,700	2740868	\$1,775,000	07/02/15	\$311.40	Cleaners	NC3P-65	1	Y	
025	043	095500	0590	3,520	2813815	\$864,000	07/27/16	\$245.45	Mortgage Enterprises, Inc.	NC2P-40	1	Y	
025	043	332504	9008	8,984	2782677	\$3,600,000	02/29/16	\$400.71	Future Development Site	NC2-40	2	Y	
025	043	332504	9009	9,109	2782674	\$500,000	02/29/16	\$54.89	VACANT LAND	NC2-40	3	Y	
025	043	332504	9010	5,144	2782680	\$1,225,000	02/29/16	\$238.14	4-PLEX	NC2-40	1	Y	
025	043	332504	9010	10,288	2895152	\$3,235,000	10/12/17	\$314.44	4-PLEX	NC2-40	2	Y	
025	043	332504	9056	12,949	2891226	\$4,200,000	09/20/17	\$324.35	VACANT LAND	NC2-40	4	Y	
025	043	600300	1005	16,950	2812594	\$7,600,000	07/21/16	\$448.38	THE CAR TENDER	NC3-40	3	Y	
025	043	722850	1945	14,993	2806352	\$3,000,000	06/21/16	\$200.09	Duplex	LR3	2	Y	
025	043	723460	1330	13,964	2821652	\$3,210,000	09/08/16	\$229.88	school classrooms	NC2-40	1	Y	
025	043	949770	0075	8,800	2890844	\$3,220,000	09/22/17	\$365.91	Former Firestone Tire	NC3P-65	1	Y	
025	043	982820	0220	6,385	2794564	\$910,000	04/22/16	\$142.52	4-PLEX	LR1	1	29	Seg/merge after sale; not in ratio
025	044	195970	0170	5,500	2802673	\$1,200,000	06/02/16	\$218.18	4-PLEX	LR2	1	Y	
025	044	195970	1390	11,000	2714657	\$2,210,000	02/20/15	\$200.91	Buena Vista Apts [sic, no view]	LR3 RC	2	Y	
025	044	196520	0015	5,862	2826280	\$1,165,000	09/30/16	\$198.74	VACANT	LR3 RC	1	Y	
025	044	202504	9131	15,261	2812704	\$4,300,000	07/27/16	\$281.76	SPARLING & ASSOC	C1-40	1	Y	
025	044	202504	9156	14,250	2805598	\$3,500,000	06/24/16	\$245.61	SMALL BOAT BUILDING & REPAIR	LR2 RC	3	Y	
025	044	290220	0400	28,040	2895593	\$8,200,000	10/11/17	\$292.44	3 DUPLEXES & SFR	LR2	4	Y	
025	044	338390	0145	6,700	2728644	\$944,000	05/04/15	\$140.90	HOWISEY FURNITURE REPAIR	C1-40	1	Y	
025	045	193480	0090	19,418	2837116	\$2,625,000	11/28/16	\$135.18	APT	LR2	1	Y	
025	045	225450	1300	12,800	2788956	\$2,750,000	04/06/16	\$214.84	VACANT	LR2	2	Y	
025	045	225450	1310	10,240	2853451	\$1,800,000	03/03/17	\$175.78	CHURCH	LR2	1	Y	
025	045	225450	2245	7,680	2899057	\$1,475,000	10/23/17	\$192.06	PARKING LOT	LR1	1	Y	
025	045	722850	0175	106,254	2866094	\$23,250,000	05/23/17	\$218.82	POST OFFICE	NC2P-40	9	Y	
025	045	722850	0182	23,394	2893759	\$4,500,000	10/06/17	\$192.36	South Portion of Midtown Center	NC2P-75 (M1)	3	Y	
025	045	722850	0500	5,530	2733241	\$815,000	05/26/15	\$147.38	Day Care Center	NC2P-40	1	Y	
025	045	723460	1444	7,597	2777797	\$1,350,000	01/26/16	\$177.70	1816 E Union St	NC1-30	7	Y	
025	046	095800	0105	8,400	2775656	\$766,160	01/04/16	\$91.21	Restoration Life Church	SF 5000	1	29	Seg/merge after sale; not in ratio
025	046	191210	0620	4,500	2809941	\$860,000	06/28/16	\$191.11	Office conv	NC1-40	1	Y	

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	046	266300	0485	8,000	2819534	\$1,623,750	08/29/16	\$202.97	6 Plex	LR3	1	Y	
025	046	685170	0030	12,020	2888144	\$4,525,000	09/01/17	\$376.46	8-UNIT APT	LR3	1	Y	
025	046	949770	0060	9,150	2792057	\$1,650,000	04/25/16	\$180.33	Future Apartment	LR3	2	Y	
025	047	515770	0005	5,110	2754662	\$820,000	09/04/15	\$160.47	VACANT	NC1-30	1	Y	
025	047	715220	0015	5,000	2879237	\$1,799,812	07/21/17	\$359.96	1132 34th Ave	NC1-30	1	Y	
025	047	715220	0300	4,700	2721345	\$825,000	03/23/15	\$175.53	SFR - Scottish Tea Shop	NC1-30	1	Y	

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	041	066000	2760	20,512	2847893	\$181,510	02/07/17	\$8.85	Melrose Market Bldg	NC3P-85	1	43	Development rights parcel to prvt se
025	041	600300	0615	0	2760645	\$521,674	10/07/15	\$0.00	SUDDEN PRINTING	NC3P-40	1	11	Corporate affiliates
025	041	600350	0360	14,400	2876715	\$48,500	06/21/17	\$3.37	Everyday Music	NC3P-65	3	24	Easement or right-of-way
025	041	685070	0245	14,091	2709648	\$2,350,000	01/09/15	\$166.77	HARVARD EXIT THEATER	NC3P-40	1	13	Bankruptcy - receiver or trustee
025	041	872560	0115	6,570	2891022	\$4,260,825	09/19/17	\$648.53	Retail/Gallery	NC3P-65	2	15	No market exposure
025	041	872560	0425	4,810	2791294	\$100,000	04/15/16	\$20.79	SFR - BAROKAS & MARTIN LAW OF	NC3P-65	1	22	Partial interest (1/3, 1/2, etc.)
025	041	872560	0425	4,810	2881214	\$28,333	05/12/17	\$5.89	SFR - BAROKAS & MARTIN LAW OF	NC3P-65	1	22	Partial interest (1/3, 1/2, etc.)
025	041	872560	0425	4,810	2881215	\$28,333	05/16/17	\$5.89	SFR - BAROKAS & MARTIN LAW OF	NC3P-65	1	22	Partial interest (1/3, 1/2, etc.)
025	041	872560	0425	4,810	2881213	\$28,333	07/06/17	\$5.89	SFR - BAROKAS & MARTIN LAW OF	NC3P-65	1	22	Partial interest (1/3, 1/2, etc.)
025	042	197820	0290	30,971	2842422	\$1,250	12/02/16	\$0.04	SUNSET CLUB	HR	1	24	Easement or right-of-way
025	042	197820	0885	2,236	2850130	\$15,000	01/12/17	\$6.71	1320 PROFESSIONAL CENTER	HR	1	24	Easement or right-of-way
025	042	925690	0030	1,470	2709273	\$1,034,000	01/09/15	\$703.40	COPY MART	NC3P-65	1	12	Estate administrator, guardian, or e
025	043	181380	0030	2,010	2759584	\$31,078	08/13/15	\$15.46	SFR - Restaurant - CRUSH	NC2-40	1	24	Easement or right-of-way
025	043	501600	1790	8,785	2833162	\$1,498,000	11/09/16	\$170.52	Madison Center - RETAIL + OFFICE	NC2P-40	1	11	Corporate affiliates
025	043	600300	0175	3,274	2822227	\$700,000	09/15/16	\$213.81	STORES & APT	NC3P-65	1	15	No market exposure
025	044	202504	9033	10,328	2755559	\$6,000,000	09/02/15	\$580.95	UNITED INDIANS OF ALL TRIBES -	C1-40	2	64	Sales/leaseback
025	045	684070	0210	2,621	2719848	\$820,000	03/05/15	\$312.86	JoAnna's Soul Cafe & Jazz Club	NC1-40	2	15	No market exposure
025	045	982670	1390	11,208	2834136	\$150,000	11/11/16	\$13.38	OFFICES/School	LR2	1	22	Partial interest (1/3, 1/2, etc.)
025	047	531810	1475	1,820	2766980	\$1,143,900	11/13/15	\$628.52	RETAIL	NC1P-30	1	15	No market exposure
025	047	531910	0055	5,876	2765798	\$3,400,000	11/04/15	\$578.62	Bing's Cafe	NC1P-30	1	51	Related party, friend, or neighbor
025	047	715220	0256	1,461	2770137	\$684,950	11/23/15	\$468.82	Pike Station unit B	NC1-30	1	23	Forced sale

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	041	684870	0065	3,830	2909173	\$1,100,000	12/22/17	\$287.21	COIN-OP LAUNDRY, CAFE & DUPLE	MR	1	36	Plottage
025	042	197820	0940	14,400	2822755	\$884,950	07/13/16	\$61.45	LUMA CONDOMINIUM	HR	1	51	Related party, friend, or neighbor
025	042	859040	0472	9,600	2715334	\$2,340,000	02/23/15	\$243.75	OFFICE BUILDING	HR	1	68	Non-gov't to gov't
025	042	859040	0875	10,800	2724838	\$1,930,000	04/13/15	\$178.70	PARKING LOT LEASED TO UPARK	HR	1	15	No market exposure
025	042	859090	0125	21,600	2874778	\$11,400,000	06/30/17	\$527.78	PARKING LOT	HR	3	51	Related party, friend, or neighbor
025	043	600300	0170	1,200	2853464	\$300,000	03/15/17	\$250.00	Parking lot behind 1310 E Pike St	IC3P-6	1	36	Plottage
025	045	721740	0045	22,166	2731113	\$560,000	05/18/15	\$25.26	KEY BANK	IC2P-4	3	61	Financial institution resale
025	045	722850	0571	4,610	2831790	\$1,200,000	11/01/16	\$260.30	Kung Fu Kids	NC2-65	1	36	Plottage
025	046	133630	0245	9,500	2802665	\$4,100,000	06/15/16	\$431.58	6-PLEX	LR3	2	65	Plans and permits
025	046	191210	0620	4,500	2836110	\$1,050,000	11/22/16	\$233.33	Office conv	NC1-40	1	65	Plans and permits
025	046	600350	0890	14,640	2781854	\$2,020,000	02/24/16	\$137.98	SFR - LAW OFFICE	LR3	3	11	Corporate affiliates
025	046	685270	0478	5,940	2836880	\$2,850,000	11/30/16	\$479.80	1010 E Republican St	LR3	2	65	Plans and permits
025	046	942140	0035	7,380	2727713	\$800,000	04/30/15	\$108.40	GROUP HEALTH CREDIT UNION PAR	IC2P-4	1	15	No market exposure

Physical Inspection for Area 25

Major	Minor	PropName
025530	0000	ARBORETUM PLACE CONDOMINIUM
025533	0000	ARBORETUM VIEW CONDOMINIUM
142620	0000	CASCADE VIEW CONDOMINIUM
181380	0005	Live-work unit
181380	0010	OFFICE
181380	0030	Former Crush Restaurant
181380	0035	FIVE UNIT APT
181380	0051	APARTMENT
216180	0000	EAST MADISON CONDOS CONDOMINIUM
216190	0000	EAST MADISON TOWNHOMES CONDOMINIUM
219295	0000	EAST THOMAS TOWNHOMES CONDOMINIUM
219380	0000	EAST VIEW CONDOMINIUM
500970	0000	MADISON ARBOR CONDOMINIUM
501010	0000	MADISON EAST CONDOMINIUM
501050	0000	MADISON GATE PH 01 CONDOMINIUM
501430	0000	MADISON JOHN TOWNHOMES
501480	0000	MADISON LOFTS CONDOMINIUM
501570	0000	MADISON PARKVIEW CONDOMINIUM
501600	0007	RETAIL STORE & GREENHOUSE
501600	0030	VACANT
501600	0035	OFFICE/RETAIL
501600	0045	Cafe Flora
501600	0570	OFFICE/RETAIL
501600	0585	SFR - RETAIL W/HOUSE
501600	0590	NEW YORK DELI
501600	0605	Dry Cleaners & Pizza
501600	0615	MADISON SQUARE
501600	0635	RETAIL/OFFICE/CLINIC
501600	0650	Sprague Building
501600	0890	VACANT
501600	0895	4 PLEX
501600	1020	VACANT LAND
501600	1270	CHURCH
501600	1420	Mixed Use - Retail/Residential
501600	1430	Park Madison Apts
501600	1670	Office (Converted SFR)
501600	1680	BAILEY BOUSHAY HOUSE
501600	1715	SFR House Converted to Retail/Open Office
501600	1720	OFFICE
501600	1775	SFR - ROVER'S
501600	1790	Madison Center - RETAIL + OFFICE
501600	1800	Madison Center - OFFICE/RETAIL
501600	1805	MADISON CENTER
501600	1810	Parking for Madison Center
501600	1830	SFR used as retail
501600	1910	Mixed Use - Retail/Residential

Physical Inspection for Area 25

501600	1915	Arboretum Professional Center
501600	1950	Vacant
501780	0000	MADISON VIEW CONDOMINIUM
600500	0000	NANTUCKET CONDOMINIUM
639102	0000	112 25TH AVE EAST CONDOMINIUM
664188	0000	PARK COURT CONDOMINIUM
683420	0000	PLUM COURT CONDOMINIUM
857860	0000	TEMPUS FUGIT CONDOMINIUM
872685	0000	25 JOHN CONDOMINIUM
873236	0000	215 27TH AVE EAST CONDOMINIUM
917870	0000	Washington Park Art Studios
982870	2225	THE NORMAN
982870	2355	LAND
982870	2360	27 UNIT APARTMENT
982870	2425	VACANT LAND
982870	2435	APARTMENTS
982870	2470	PARKING LOT FOR MINOR 2471
982870	2471	Madison Park View Apts
982870	2540	MADISON VISTA APTS
982870	2610	CATALINA APTS
982870	2625	APARTMENTS
982870	2645	4 PLEX APARTMENT
982870	2700	APARTMENTS
982870	2705	APARTMENTS
982870	2865	CYZNER EAST JOHN STREET APARTMENTS
982870	2870	Modena Apodments
982870	2875	OFFICES & RETAIL
982870	2910	Miller Park Apartments
982870	2920	VACANT LAND
095500	0005	ADELPHI APTS
095500	0020	7 PLEX
095500	0025	
095500	0030	Rooming House
095500	0040	6 PLEX
095500	0045	FOURPLEX
095500	0050	5 unit apt
095500	0480	ELIZABETH JAMES HOUSE
095500	0515	6-unit apt
095500	0530	5 unit
095500	0550	PARKING for Elizabeth James APT -0480
095500	0551	VACANT LAND
095500	0590	2310 E Madison St
095500	0600	OFFICE/APT
140730	0010	Microhousing
140730	0045	FOURPLEX
140730	0070	HAMILTON APARTMENTS
140730	0104	PARKING FOR CHESTER DORSEY

Physical Inspection for Area 25

140730	0106	CHESTER DORSEY'S DETAIL SHOP
140730	0111	CHURCH
140730	0135	Session Apartments - Primary
140730	0140	Seattle Back Clinic
228525	0000	1819-17TH AVE CONDOMINIUM
260779	0000	FORTUNE VIEW CONDOMINIUM
282504	9005	Aegis Living On Madison
304320	0090	8-UNIT APT BLDG
304320	0100	PRINCE OF WALES APTS
304320	0145	4-PLEX
304320	0146	4-PLEX
304320	0175	Madison Two-0
304320	0185	FOUR-PLEX
439730	0000	LOFTS ON SIXTEENTH AVENUE
570750	0105	MADISON PLACE
570750	0120	TEEN CHALLENGE
609425	0000	19TH AVE LOFTS CONDOMINIUM
670550	0000	PENDLETON MILLER CONDOMINIUM
723460	0400	IMPS CARRIED ON 808040-0185
723460	1185	IMP on 808090-0035
723460	1190	VACANT LAND
738400	0000	ROCK ROSE CONDOMINIUM
808040	0130	LAMBERT HOUSE
808040	0134	
808040	0135	MURRAY HILL APTS
808040	0144	Vacant lot adjacent to 1st Church of Christ CONDO CONVERSION project
808040	0165	LAURELTON APTS
808040	0180	APT BLDG
808040	0185	HILLCREST APTS
808040	0190	APT BLDG
808040	0200	APT BLDG
808090	0020	FRED LIND MANOR
808090	0035	APT
808090	0041	FOURPLEX
808090	0055	Denny 18 Land assoc w -0056
808090	0056	Denny 18
872760	0000	22ND AVENUE PLAZA CONDOMINIUM
949770	0010	Twenty20MAD Apartments (Econ unit includes 0010, 0011, 0035, 0040, 0045, 0046)
949770	0011	MADISON APT (Econ unit includes 0010, 0011, 0020, 0030, 0035, 0040, 0045, 0046)
949770	0020	Vacant land
949770	0030	Vacant Land
949770	0035	MADISON APT (Econ unit includes 0010, 0011, 0020, 0030, 0035, 0040, 0045, 0046)
949770	0040	MADISON APT (Econ unit includes 0010, 0011, 0020, 0030, 0035, 0040, 0045, 0046)
949770	0045	MADISON APT (Econ unit includes 0010, 0011, 0020, 0030, 0035, 0040, 0045, 0046)
949770	0046	MADISON APT (Econ unit includes 0010, 0011, 0020, 0030, 0035, 0040, 0045, 0046)
949770	0075	FIRESTONE TIRE
949770	0085	DE CHARLENE BEAUTY BOUTIQUE

Physical Inspection for Area 25

949770	0130	4 plex
949770	0140	Madison Inn Work Release
600300	1390	13-UNIT APT
600300	1395	
600300	1400	Micro Apartment with commercial
600300	1410	Kaylin Lee Apts
600300	1415	
600300	1420	BROADWAY VETERINARY
600300	1430	APARTMENT
600300	1434	STORE & APTS
600300	1435	STORE - OFFICE & APT
600300	1440	The Randolph
600300	1460	FOURPLEX
600300	1484	Allegro Apts
600300	1495	GREEK ORTHODOX CHURCH
600300	1520	CHURCH PARKING LOT
600300	1525	CHURCH PARKING LOT
600300	1535	CHURCH PARKING LOT
600300	1545	CHURCH PARKING LOT
600300	1550	30-UNIT APT
600300	1555	PARKING for minor 1550
600300	1560	FOURPLEX
600300	1585	7-UNIT APT
600300	1600	12-UNIT APTS
600300	1610	APARTMENTS
600300	1615	APT
600300	1630	VACANT
600300	1635	5-PLEX
600300	1655	FOURPLEX
600300	1665	APARTMENT
600300	1670	La Quinta
600300	1675	La Quinta
600300	1695	The Victoria
767600	0000	SEATTLE VISTA CONDOMINIUM
942140	0005	DAYCARE- GROUP HEALTH - SEATTLE
942140	0010	LANSDOWNE MANOR APTS
942140	0015	APT
942140	0020	VITALITY ON HOWELL (942140-0020 & 942140-0021)
942140	0021	East Howell Apts. (942140-0020 & 942140-0021)
022200	0010	FIRST A.M.E. CHURCH
022200	0020	Cleaners
022200	0034	SFR - LOPEZ & FANTEL LAW OFFICES
024220	0000	ANNARON CONDOMINIUM
103660	0000	BRAEBURN THE
135530	0019	APT
135530	0025	FOURPLEX
135530	0034	Howell St Apts

Physical Inspection for Area 25

172880	0005	IMPERIAL APTS
172880	0030	QUALMAN APTS
172880	0062	ARVILLE APTS
172880	0066	Vox
172880	0070	PARAMOUNT APTS
172880	0075	BROADCAST APARTMENTS ASSOCIATED
172880	0080	BROADCAST APARTMENTS
172880	0100	APT
172880	0115	BANCROFT APTS
172880	0145	GASLIGHT INN BED & BREAKFAST
172880	0150	SFR - MONTESSORI SCHOOL & DAYCARE CNTR
172880	0165	APT
348300	0000	HOWELL HOUSE
348600	0000	HOWELL STREET
386540	0005	Madison Pub (imp on -0006)
386540	0006	Madison Pub (primary parcel)
386540	0010	PARK HILL APTS
386540	0030	LA PANZANELLA
600300	0065	East Pike Building
600300	0070	Elysian Brewing Co & offices
600300	0085	Vacant Land Assoc with 600300-0090
600300	0090	CITIZEN APARTMENTS
600300	0095	Pony Bar
600300	0100	BANK OF AMERICA
600300	0140	CHOP SUEY
600300	0150	Talbot Building
600300	0155	Diesel Tavern
600300	0160	Vacant STORE
600300	0170	Former Frans Chocolate Factory
600300	0175	STORES & APT
600300	0200	VACANT LOT
600300	0205	PARKING LOT
600300	0210	PARKING LOT
600300	0220	AUTO ACCESSORIES INC
600300	0235	Realty Office
600300	0240	CHESTER APTS & STORES
600300	0245	REO FLATS
600300	0250	REO FLATS Apartments
600300	0255	REO FLATS Apartments
600300	0260	REO FLATS Apartments (Imps on Minor 0245)
600300	0270	SFR - Watch SHOP & DWELLING
600300	0275	REO FLATS Apartments
600300	0295	1324 E Pike St
600300	0300	Mixed Use - Retail/Residential
600300	0310	The Beryl Apartments (econ unit with -0315 and -0320)
600300	0315	1200 E Pike-economic unit with-0310 and -0320-bld on -0310
600300	0320	1200 E Pike-cld on -0310-Beryl Apartments

Physical Inspection for Area 25

600300	0335	W/ 0375
600300	0340	Momiji
600300	0350	Packard (Associated Lot to #600300-0355)
600300	0355	The Packard Building
600300	0365	The Cuff
600300	0370	PHOTO STUDIO
600300	0375	PUBLIC STORAGE
600300	0400	W/ 600300-0375
600300	0635	PINE STREET APARTMENTS
600300	0640	FOURPLEX
600300	0685	FOUR PLEX
600300	0695	SENIA MARA
600300	725	Imp on 0730
600300	0730	Collins on Pine
600300	0740	FIRE STATION
600300	0755	PARKING
600300	0760	La Villa
600300	0765	Bristol Apartments
600300	0770	Apartments
600300	0775	ONEILL Apt
600300	0805	VACANT
600300	0810	VACANT
600300	0814	VACANT
600300	0820	BAKERY AND VAC RETAIL
600300	0850	DEL MARCO BLDG
600300	0860	HAINES APT
600300	0875	PARDEE TOWN HOUSES
600300	0877	PRIVATE ALLEY
600300	0895	CHURCH PARKING LOT
600300	0896	ADVENT CHRISTIAN CHURCH
600300	0905	4-PLEX
600300	0910	ST NICHOLAS RUSSIAN ORTHODOX
600300	0930	WASHINGTON IRVING APTS
600300	0950	4 Plex
600300	0980	ADVENT CHRISTIAN CHURCH
600300	0985	CHURCH PARKING LOT
600300	0990	Car Tender (imps on -1005)
600300	0995	Car Tender (Imps on -1005)
600300	1000	RETAIL W/APTS
600300	1005	Car Tender (primary parcel)
600300	1010	Sunshine House (SFR House Structure converted to Retail)
600300	1015	CapitolHill Urban Cohousing
600300	1025	1728 - Micro
600300	1040	SFR IN USE AS OFFICE
600300	1045	1731 13th Ave
600300	1050	ALKRIS APT
600300	1075	APT

Physical Inspection for Area 25

608180	0000	NICHOLAS COURT CONDOMINIUM
783680	0005	THE CHLOE 14TH & UNION APARTMENTS
783680	0025	PIECORA'S
860035	0000	1310 EAST UNION LOFTS
866495	0000	TRACE LOFTS
866497	0000	TRACE NORTH
872570	0000	12TH AVENUE ARTS
331820	0000	HILL HOUSE PROJECT CONDOMINIUM
982820	0095	Meredith Mathews East Madison YMCA
160040	0000	CLAIRIDGE CONDOMINIUM
179260	0000	COURTYARD ON CAPITOL HILL THE CONDOMINIUM
228540	0000	EIGHTEENTH THE CONDOMINIUM
261990	0000	FOX HILL PLAZA (0005) CONDOMINIUM
269520	0000	GARDEN COURT CONDOMINIUM
332504	9001	SFR - LAW OFFICE W/BASEMENT LIVING UNIT
332504	9002	Samuel Berry McKinney Manor Apts
332504	9007	El Gallito Mexican Restaurant
332504	9009	VACANT LAND
332504	9010	4-PLEX
332504	9011	4 - PLEX
332504	9012	Office Building
332504	9014	PLANNED PARENTHOOD OF WESTERN WASHINGTON
332504	9019	NA - MU Lofts
332504	9026	SFR - Seattle Film Institute
332504	9028	SFR - BEAUTY SALON
332504	9040	Session Apartments- building on 140730-0135
332504	9042	PLANNED PARENTHOOD OF WESTERN WASHINGTON
332504	9045	Furniture Factory
332504	9047	EBENEZER AME ZION CHURCH PARKING
332504	9051	Session Apartments- building on 140730-0135
332504	9052	Session Apartments- building on 140730-0135
332504	9055	OFFICE
332504	9056	VACANT LAND
500900	0000	MADISON @ 18TH CONDOMINIUM
501150	0000	MADISON HEIGHTS CONDOMINIUM
679215	0000	PINE ST COTTAGES CONDOMINIUM
722850	0005	EBENEZER AME ZION CHURCH PARKING
722850	0010	EBENEZER AME ZION CHURCH
722850	0720	HAVLICKS AUTO REPAIR
722850	0731	PARKING
722850	0875	ARTIST WORKSHOP
722850	1825	Harbortown Apartment
722850	1925	VACANT LAND
722850	1930	VACANT LAND
722850	1935	VACANT LAND
722850	1945	Future Site of 5 Rowhouses
722850	1946	Future Site of 5 Townhomes

Physical Inspection for Area 25

722850	1950	Future site of 5 townhomes + 2 live-work units
722850	1960	Stable Building - Offices
722850	1970	MOUNT ZION BAPTIST CHURCH
722850	1971	VACANT
722850	1980	MOUNT ZION BAPTIST CHURCH
722850	2015	MOUNT ZION BAPTIST CHURCH PARKING
722850	2020	SFR
722850	2040	CREDIT UNION
722850	2045	MOUNT ZION BAPTIST CHURCH PARKING
722850	2050	MOUNT ZION BAPTIST CHURCH PARKING
722850	2055	MOUNT ZION BAPTIST CHURCH PARKING
722850	2060	MOUNT ZION BAPTIST CHURCH PARKING
723460	0195	Bullit Center
723460	0205	FENTON APTS
723460	0215	BEACHMONT APTS
723460	0220	Mad Flats
723460	0240	The Pearl Apartments
723460	0255	7-ELEVEN
723460	0290	5 - UNIT APT BLDG
723460	0310	JEWISH FAMILY SERVICE
723460	0325	ARILLIS ARMS
723460	0340	L & L APTS
723460	0345	PRINCETON CO-OP
723460	0350	WILANA CO-OP
723460	0355	9 - UNIT APT BLDG
723460	0360	9 - UNIT APT BLDG
723460	0405	SOUND MENTAL HEALTH
723460	0426	SUNSHINE VISTA
723460	0435	SFR - EMERALD HOUSE
723460	0445	DUPLEX as Rehab Center
723460	0465	PARKING FOR SEATTLE EYE CLINIC
723460	0470	5 UNIT APARTMENT
723460	0475	THE MARQUIS APARTMENTS
723460	0485	SFR - HALFWAY HOUSE
723460	0490	CASCADIA APARTMENTS
723460	0500	GAFFNEY HOUSE
723460	0515	Madison Crossing Apartments
723460	0530	APARTMENTS
723460	0535	APARTMENTS
723460	0540	APARTMENT
723460	0542	APARTMENT
723460	0545	OLYMPIAN APARTMENTS
723460	0550	Parking for adj. apts.
723460	0570	THE MADKIN
723460	0580	PARKING
723460	0600	COUNCIL HOUSE
723460	0985	QWEST

Physical Inspection for Area 25

723460	1000	US WEST/PNB-PARKING
723460	1020	APT BLDG
723460	1035	Park Royal
723460	1043	SHELL FOOD MART
723460	1045	KSTW Tower
723460	1065	RADIO STATION
723460	1070	KCTS Broadcast Tower
723460	1085	Addition to minor 1100
723460	1090	OFFICE SPACE
723460	1095	JOE SPATES CLEANERS
723460	1100	Trader Joe's & Apartments
723460	1120	OLIVE RIDGE
723460	1141	15 UNIT APT
723460	1160	18 UNIT APT
723460	1175	Soleil Micro Housing
723460	1205	POLISH HALL
723460	1210	PARKING
723460	1215	SFR
723460	1220	DE LVXE
723460	1230	Lawrence Lofts
723460	1260	OFFICE BUILDING
723460	1270	PONDEROSA APTS
723460	1280	Helen Keller Blindness and Deaf Center
723460	1310	Vacant Land
723460	1311	
723460	1312	
723460	1313	
723460	1325	Views@Madison
723460	1330	Peace for the Street by Kids from the Streets
723460	1335	8 unit apt house & 2 SFR
723460	1360	9-UNIT APARTMENT
769840	0000	1717-1718 SIXTEENTH AVE CONDOMINIUM
808093	0000	SUMMIT AT MADISON PARK CONDOMINIUM
894220	0000	VIEWS AT MADISON 2 THE