

**Commercial Revalue**

**2018 Assessment roll**

**AREA**

**75**

**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](http://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](http://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 75: Cities of Mercer Island, East and South Bellevue, Bellevue I-90 Corridor, Newcastle, North and East Renton, Bryn Mawr – Skyway, Northeast Kent, Cedar Basin, and May Valley in Unincorporated King County

## Sales – Improved Summary

- Number of Sales: 78
- Number of Sales used in the ratio: 71
- Range of Sales Dates: 1/31/2015 - 12/31/2017

## Sales – Ratio Study Summary

<i>Sales – Improved Valuation Ratio Study Summary:</i>				
	<i>Mean Assessed Value</i>	<i>Mean Sale Price</i>	<i>Ratio</i>	<i>COD*</i>
<i>2017 Value</i>	\$2,680,200	\$3,037,100	88.2%	22.35%
<i>2018 Value</i>	\$2,871,100	\$3,037,100	94.5%	11.72%
<i>Change</i>	\$190,900		6.3	-10.63
<i>% Change</i>	7.12%		7.14%	-47.56%

\*Coefficient of Dispersion (COD) is a measure of uniformity. A low COD indicates better 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: sales that have change of use, sales that have had major renovations after the sale, and net lease sales.

## Population – Parcel Summary Data

<i>Total Population - Parcel Summary Data:</i>				
<i>Area 75</i>	<i>2017 Value</i>	<i>2018 Value</i>	<i>Difference</i>	<i>Percent Change</i>
<i>Land</i>	\$2,378,630,200	\$2,557,190,600	\$178,560,400	7.51%
<i>Improvements</i>	\$2,638,278,800	\$2,731,652,500	\$93,373,700	3.54%
<i>Total Value</i>	\$5,016,909,000	\$5,288,843,100	\$271,934,100	5.42%

**Number of Parcels in the Population: 1,807** including vacant parcels but excluding specialty parcels.

## Conclusion and Recommendation:

Total assessed values for the 2018 revalue have increased 5.42%. The values recommended in this report improve uniformity and equity; therefore it is recommended they should be posted for the 2018 Assessment Year.

# Identification of the Area

## Area 75: SE Lake Washington

### Area 75 Neighborhoods

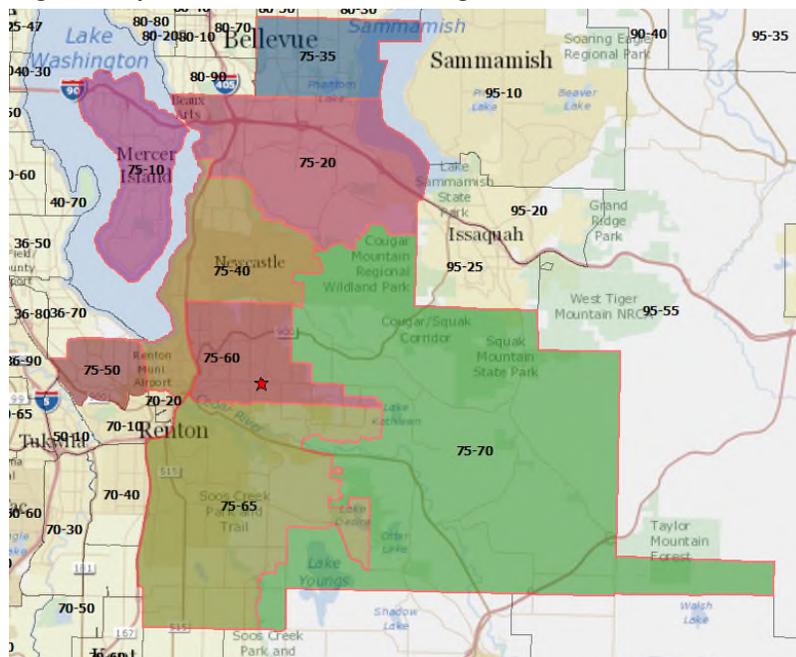
- **75-10** Mercer Island
- **75-20** South Bellevue/Factoria/I-90 Corridor
- **75-35** East Bellevue/Lake Hills to Crossroads
- **75-40** Newport/Newcastle/Kennydale/Renton Landing
- **75-50** Bryn Mawr - Skyway
- **75-60** Renton Highlands
- **75-65** Benson Hill/Fairwood/Panther Lake/& Cedar Valley
- **75-70** Cedar Basin/May Valley

### Area 75 Boundaries:

- **North** – SE 24<sup>th</sup> St to 132<sup>nd</sup> Ave NE to NE 8<sup>th</sup> St in Bellevue
- **West** – Mercer Island and Lake Washington. Bryn Mawr – Sky way, the Cedar River and I-405 once south of the Maple Valley Highway.
- **East** – West Lake Sammamish Parkway north of I-90 and Issaquah Hobart Rd SE to the south
- **South** – SE 224<sup>th</sup> St in Kent

### Maps

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



## Area Overview

Area 75 is comprised of five cities and unincorporated King County. It includes the cities of Mercer Island, Bellevue, Newcastle, Renton, and Kent. It is one of the most diverse geographic areas in King County in terms of territorial jurisdiction, locations, commercial property types, and demographics.

Within the Geographic Area 75, there are eight distinct neighborhoods that have been established for valuation purposes totaling 1,807 parcels (excluding specialty). The area is unique as it encompasses such a broad range of neighborhoods from high value properties in Mercer Island and parts of Suburban Bellevue to the more rural parts of unincorporated King County, Maple Valley, and Renton. The City of Mercer Island is located in the northwest part of Area 75. The City of Bellevue encompasses Area 75's northern and eastern ends. The City of Newcastle is located between the cities of Bellevue and Renton parallel to Interstate 405. The City of Renton is at the Southwest end of Lake Washington. The unincorporated area known as Bryn Mawr – Skyway is located to the west of the Renton Airport. The City of Kent is at the southwest end of area 75.



### City of Bellevue

Bellevue is located east of Lake Washington between the cities of Kirkland to the north, Newcastle to the south, Seattle/Mercer Island to the west, and Sammamish to the east. It has an estimated population of 134,400 as of 2014. Bellevue is ranked as the second largest city in King County and 5<sup>th</sup> in the State of Washington in terms of population.

The city covers more than 33 square miles between Lake Washington and Lake Sammamish in terms of land area<sup>1</sup>, ranked as the 3<sup>rd</sup> largest in King County and eight largest in the State of Washington in terms of land area<sup>2</sup>. Next to Seattle, Bellevue is experiencing rapid growth both in commercial and multi-family residential construction which centers around downtown Bellevue. Bellevue's major employers are Overlake Medical Center, Microsoft, T-Mobile, Boeing, Expedia, Concur, Puget Sound Energy, Sales Force and Zillow to name a few.

Located in the City of Bellevue are several Area 75 neighborhoods such as Factoria, Lake Hills, Kelsey Creek, Lakemont, Eastgate, Somerset, Newport Hills, Suburban East Bellevue, and properties along I-90 Corridor.

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<sup>1</sup> City of Bellevue

<sup>2</sup> US Census Bureau



The tech sector drives Bellevue's market with software firms, video game and social media companies accounting for almost 70 percent of the tenant mix. In October of 2016, Amazon made waves when it joined the ranks of these other tech companies as it secured its first lease for new office space in downtown Bellevue.<sup>3</sup> Amazon moved in to the brand new 354,000 sf, Centre 425 building. The Amazon deal is big news for Bellevue at a time when things were looking uncertain. Just two years ago the city was facing the impending departure of Expedia for Seattle in 2019 and a deluge of new construction with unclaimed office space. Now, it seems the sizable office availability and convenient eastside location may be a great fit for the tech giant's future growth.

Although Amazon's Vice President of Global Real Estate and Facilities John Schoettler did not confirm the rumors that this is the first of several Bellevue locations for the company, he did state to Geekwire that, "I know that as a company we are going to continue to grow and hire great talent that we find in the Pacific Northwest. So I would imagine that you will see us growing on both sides of the lake."<sup>4</sup>

### City of Mercer Island

Mercer Island is an upper income class community located in Lake Washington between Seattle and Bellevue. The island has an estimated population of 24,326 as of 2014 and spans about 6.32 square miles. It is ranked 15<sup>th</sup> largest city by population and 17<sup>th</sup> largest by area size in King County.<sup>5</sup> Mercer Island is connected by Interstate 90 to both cities.

The city has just lifted a building moratorium in the downtown area. With the coming light rail, it is expected that the downtown core will experience continued growth and rejuvenation in the coming years.



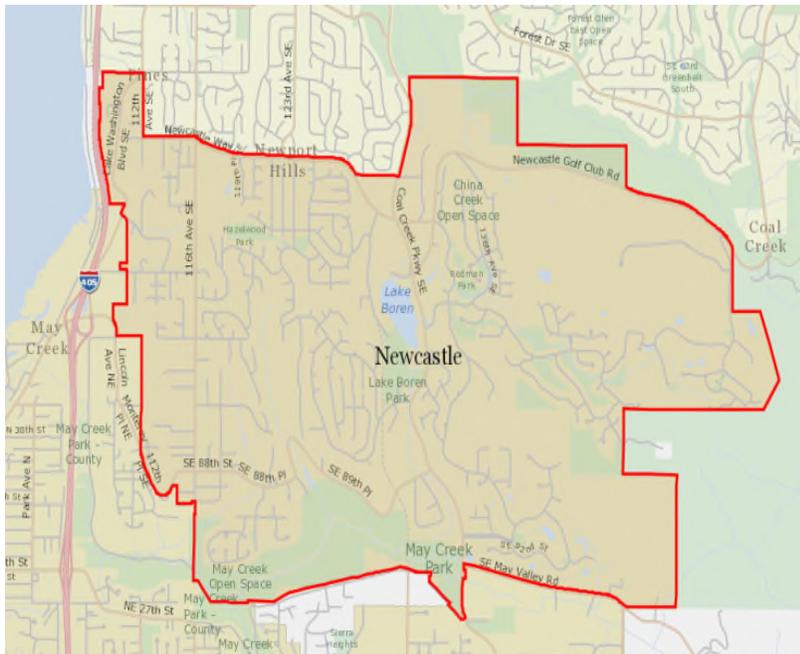
<sup>3</sup> Geekwire – Amazon expanding outside of Seattle

<sup>4</sup> Geekwire – Amazon makes a 'regional play' with surprise Bellevue expansion – and it could be just the start

<sup>5</sup> U.S Census Bureau

## City of Newcastle

Newcastle is located south of Lake Washington between the Cities of Renton and Bellevue. It has an estimated population of 11,201; ranked as 22<sup>nd</sup> in King County. It has a land area of 4.45 square miles and is also ranked as 22<sup>nd</sup> in King County.



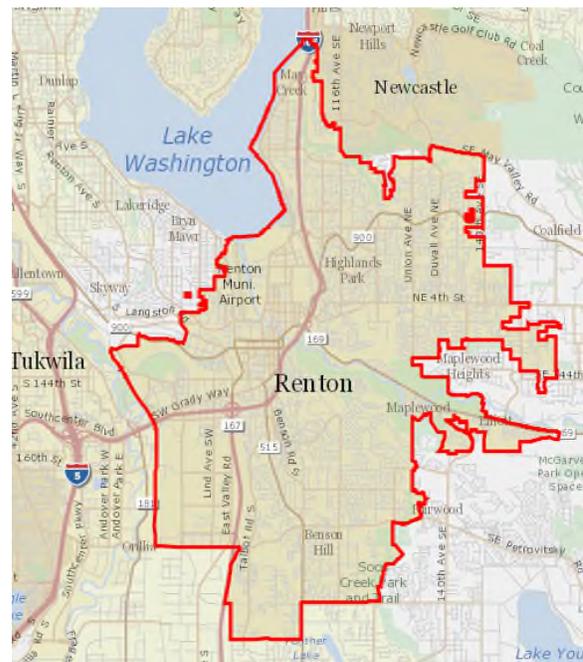
The City of Newcastle was incorporated in September of 1994. Newcastle was home to coal mines between 1863 and 1963. Newcastle continues to experience healthy growth. The city's business community is most adequately described as a retail service economy and provides a retail core for neighborhood commercial activity. This area is most comparable to south Bellevue. The schools are served by the Issaquah and Renton School Districts. The opulent Newcastle Golf Club is open to the public and is situated directly on one of the former large coal mines. It

was ranked in 2013 by Money magazine as one of the best small towns in America<sup>6</sup>

The town is rapidly expanding as the Avalon Bay mixed-use development continues to progress. The project includes a mix of residential and retail space. Over 900 units will be developed on the site of this former Brick Plant.

## City of Renton

Renton is located on the south shore of Lake Washington between the cities of Seattle to the north, Kent to the south, Bellevue to east, and Tukwila to the west. It has an estimated population of 98,404 as of 2014; ranked as the fourth largest city in King County and the eighth largest city in the State of Washington. It has a land area of 23.37 square miles; ranked as the fourth largest in King County and 17<sup>th</sup> in the State of Washington.<sup>7</sup>



<sup>6</sup> City of Newcastle

<sup>7</sup> U.S Census Bureau



Renton is home to the brand new IKEA store and The Landing - a mixed-use development with apartments, retail, restaurants and a movie theater. The city is also home to several auto dealerships. South Grady Way, a major arterial street in Renton, still is called the auto mall neighborhood. However, East Valley Highway is transitioning to become an auto mall extension. The Nissan dealership built their new and larger site a few years back and next door to

them, Renton Honda recently move to their new home as well. Renton is also home to major companies like Boeing, Paccar, the Seahawks office and training facility, the UW-Valley Medical Center, and Providence Health and Services to name a few.

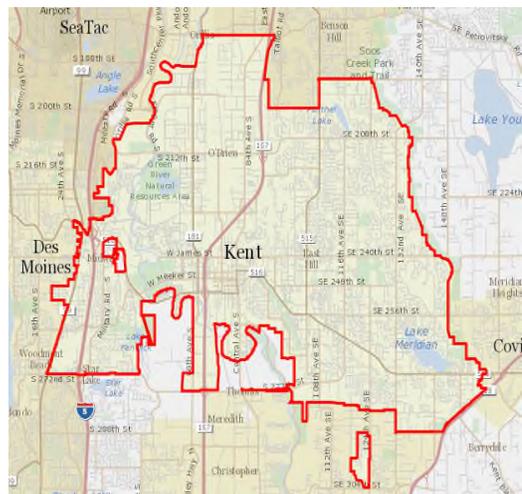
Located in the City of Renton are several Area 75 neighborhoods that include the Renton Highlands, Kennydale, northeast portions of downtown Renton, properties along the Lake Washington shore, Fairwood, Cascade, Benson Hill, and the UW-Valley Medical hospital commercial district.

Most recently, there has been a substantial amount of development on the southern shores of Lake Washington. Four hotels and three office buildings have been built or are in the final stages of construction just in the past few years. Additionally, in November 2017, SECO, a private developer, announced that it is even planning to run a water taxi from this area to south Lake Union by 2020.<sup>8</sup>

### City of Kent

Kent is located in south King County between the cities of Renton/Tukwila to the north, Auburn to the south, Covington to the east, and Federal Way to the west. It has a population of 125,560 (estimate as of 2014); ranked third in King County and sixth in State of Washington. It has a land area of 33.76 square miles, ranked 3<sup>rd</sup> in King County and 7<sup>th</sup> in the State of Washington.<sup>9</sup>

Kent is divided into three major neighborhoods; namely East Hill, the Valley, and West Hill. East Hill is comprised mainly of residential community with dispersed commercial establishments catering to the needs of the residents. Kent occupies a small portion of the area west of Interstate 5 called the West Hill. This neighborhood is primarily improved with dated commercial service and retail buildings. Downtown Kent is located on the



<sup>8</sup> Renton Reporter – Travel Renton to Seattle via water taxi

<sup>9</sup> U.S Census Bureau

valley; the rest of the valley is almost entirely covered by industrial warehouses. The City of Kent is the fourth largest manufacturing and distribution center in the United States.<sup>10</sup>

The area of Kent allocated to area 75 is known as Panther Lake, in the East Hill Neighborhood. Growth in this area has been stagnant especially with the departure of Albertson Supermarket. The commercial structures in this area are dated and composed of low to average quality construction.

### **Unincorporated King County**

Situated south of Seattle, west of the Renton, east of I-5 and north of Tukwila is Bryn Mawr – Skyway. This area is primarily modest residential homes and apartments with most commercial properties concentrated along the Renton Ave South corridor. Commercial uses are predominately retail, service, and apartment. The neighborhood is mature and very little new development is underway besides the new King County Library.

Located furthest south in Area 75 is a cluster of commercial properties that are within unincorporated King County called the May Valley Cedar Basin neighborhood. These parcels are located along Highway 169.

As development continues to boom in the Covington area, it seems likely that the commercial space along Highway 169 will be transformed in the coming decade to better serve the growing number of commuters. In 2017, the Cedar River Station was completed on the Maple Valley Highway. These 3 line retail buildings total over 21,000 sf and include a Starbucks, sit down restaurants and office space. Adjacent to the line retail is a new Chevron and Xtra Mile convenience store.

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<sup>10</sup> City of Kent

## **Analysis Process**

Effective Date of Appraisal: January 1, 2018

Date of Appraisal Report: April 23, 2018

**The following appraisers contributed on the valuation process of this geographic area:**

### **Highest and Best Use Analysis**

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

**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 property is put until it is ready for its future highest and best use is called an interim use. Thus, the interim use becomes the highest and best use, in anticipation of change over a relatively short time in the future.

**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 January 2015 to December 2017 (at minimum) were considered in all analysis.
- No specific market trends (market condition adjustments, time adjustments) were applied to sales prices due to a lack of enough market data to develop a trend. Therefore, models were developed without market trends.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standards 5 & 6.

# Neighborhood Descriptions

## Area 75-10 – Mercer Island

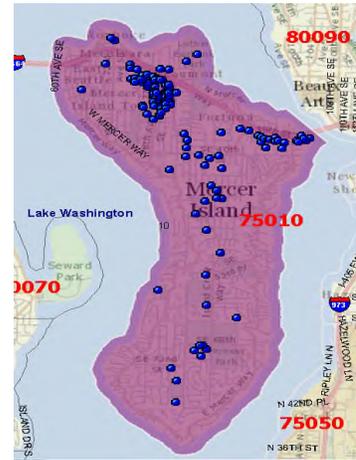
**Boundaries:** The city of Mercer Island is an island located between Seattle and Bellevue.

- Boundaries include the entire island

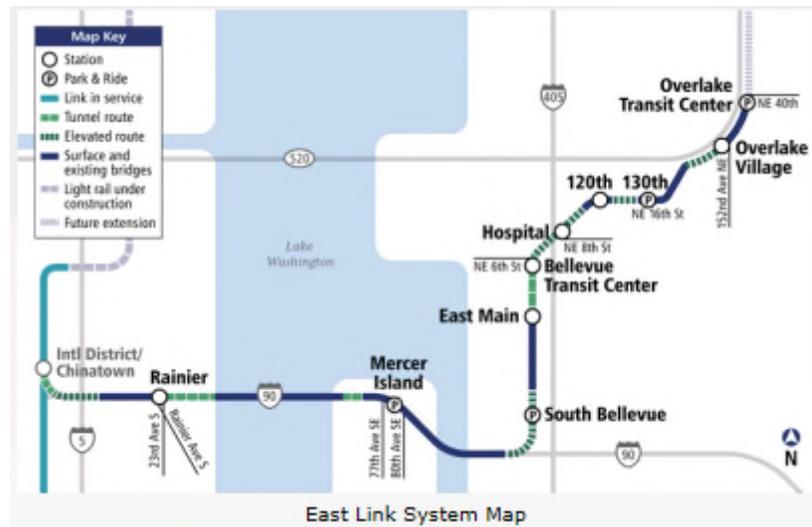
### Neighborhood Description:

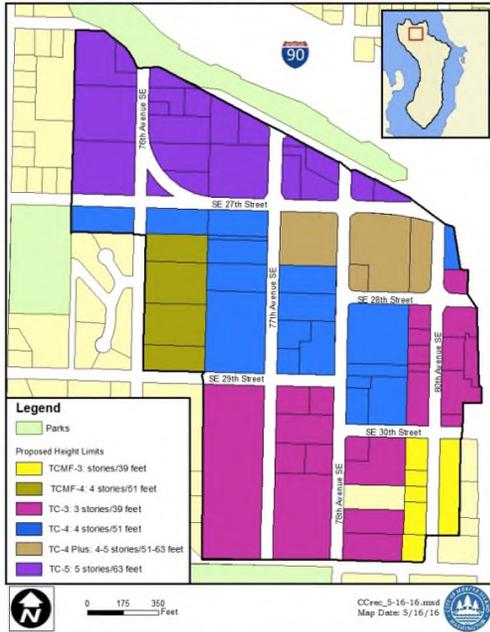
Downtown Mercer Island has gone through an extensive makeover the past several years. It is a blend of newer and dated office, retail, and mixed use buildings. Some of the properties with dated buildings will continue to be redeveloped to their highest and best use as commercial financing becomes more available. The south end of the island also features a redeveloped neighborhood shopping center with a mix of retail and office space.

Several years ago, Sound Transit completed a new Park and Ride along I-90 which helped jumpstart several new developments that added hundreds of new apartments and condominiums to the town center and provided new office and retail space.



A major transportation project will soon be impacting the island. The \$3.7 billion East Link Project is a voter-approved regional transportation project that will tap in to the existing Link light rail between SeaTac airport and downtown Seattle. The expansion will connect link light rail from downtown Seattle to the Eastside with stations serving Mercer Island, south Bellevue, downtown Bellevue, Bel-Red, and Redmond's Overlake area. The East Link light rail project began construction in 2016 and is expected to be ready to operate for passenger service in 2023.





This subarea map shows the maximum building heights in Mercer Island's Town Center (Effective 6/20/16)

Additional Park and Ride space will be needed to accompany the new Mercer Island Station. A location for the new parking area is yet to be determined.

**Town Center Visioning** - In early 2014, Mercer Island City Council formed a Town Center Visioning Subcommittee in conjunction with the coming of East Link light rail system. While this commission developed the new comprehensive plan, the City Council passed a moratorium freezing most major new construction building permits in the Central Business District known as Town Center. The approximate area covered by the moratorium spans from Interstate-90 south to SE 32nd Street, and from 80th Ave SE west to 76th Ave SE. The moratorium took effect on February 16, 2015 and ended June 20, 2016 when the city's updated building code and comprehensive plan was put into effect.

With the coming of East Link light rail and the creation of an energized, walkable downtown, there has been an emerging interest in commercial development.



The Hadley, completed in the fall of 2016, features four stories of wood frame construction above a two-story concrete platform. The project includes 209 luxury one and two-bedroom apartments, averaging 729 square feet. Underground parking for 244 cars will be provided in addition to four commercial spaces totaling 9,200 square feet at ground level. The complex will also include 13 units of affordable housing to residents making 70 percent of King County area median income.

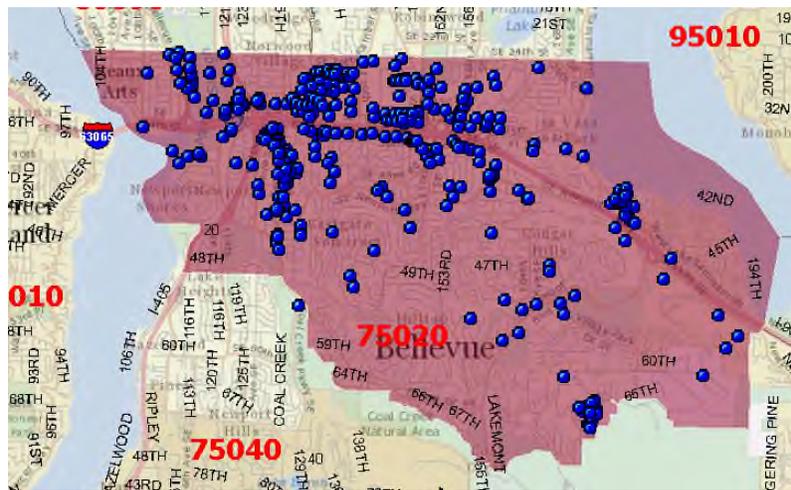
Rendering image above - courtesy of VIA Architecture.

### Neighborhood 75-20 - South Bellevue/Factoria/I-90 Corridor

#### Boundaries:

- North – SE 25<sup>th</sup> St. runs straight east through Robinswood Park

- South – Newport Hills all the way to the border between Bellevue and Newcastle
- East – Lake Sammamish
- West – Lake Washington



### Neighborhood Description:

Neighborhood 20 includes a portion of south Bellevue, Factoria, and the Bellevue/I-90 Corridor. Neighborhood 20 is a busy and often congested area because of its numerous shopping centers and a variety of business offices. It offers most major services as well as ample employment opportunities to its residents. A significant number of apartment and condominium complexes are highly visible in this neighborhood. At the same time, a wealth of single family homes surrounds the outskirts areas in this neighborhood.



The Factoria neighborhood serves the region as a major commercial and employment center. The Factoria Mall (now rebranded as “Marketplace at Factoria”) is located in the corner of Interstates 405 and 90. It has excellent visibility from the two major interstate freeways in King County. Although it lost one of its major tenants, Bellevue Children’s Museum, the mall still continues to add new tenants. Recently, owner Kimco announced they are planning to redevelop the 41-year-old mall in five phases.

Phase I will be a 331-unit apartment building of unknown height, with retail and commercial space. It would have an undetermined number of underground parking spaces. Total size is estimated at

237,197 square feet, including the parking. A hotel and changes to the retail are also planned for the roughly 43 acres. Kimco hopes to start construction in 2019 on the northwest corner of the property, where Novilhos Brazilian Steak House is now. The new building will be called Marketplace at Factoria Apartments. The architect and contractor are unknown. The Makeover will double the size of the property, to more than one million square feet.

The city of Bellevue says that Kimco's master development plan includes:

- Almost 551,000 square feet of new space (including the building above)
- 630 residential units (including the 331 units above)
- 150 hotel rooms<sup>11</sup>



The Interstate 90 corridor is surrounded by retail development, numerous business offices, and corporate headquarters. A major employer is T-Mobile which occupies a campus of several large office buildings just east of the Factoria shopping district.

While tower cranes are obviously visible sprouting in downtown Bellevue and the creation of the Spring District era is underway in the Bel-Red neighborhood, south east Bellevue is rather quiet. These neighborhoods of South Bellevue, Eastgate, Factoria, and I-90 corridor have seen little new construction.

The following new construction is in progress, or has recently been completed:

- The Eastgate neighborhood along Interstate 90 corridor has seen the completion of its Nissan dealership expansion taking over the former Bally's building.
- Tenant improvement permits have been issued to several office building complexes along Interstate 90. This exhibit sparks economic growth with new tenants coming in. These office complexes are Lincoln Executive Office buildings I to V, Eastgate Office Center, Delphi Office Center, Crestwood Corporate Plaza and Kenyon Office Center.
- An extensive remodel has been completed at the Factoria AMC theater.
- Conversion of an office building along 150<sup>th</sup> Ave SE to a medical office purchased by Sea-Mar Community Health Center in 2013
- A former bowling alley along 148<sup>th</sup> Ave SE has been converted to an auto dealership service garage for Michael's Toyota of Bellevue
- Intellectual Ventures has completed major tenant improvements in their office/warehouse space on SE Eastgate Way.

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<sup>11</sup> Daily Journal of Commerce – Factoria mall next for a makeover, with apartments, hotel and retail redo



Crossroads is the heart of East Bellevue. Local entertainment, shopping, and community services are readily available for the area residents. Crossroads neighborhood has an abundance of large apartment complexes, retail and big box establishments, and some small offices catering to the local residents and surrounding neighborhoods.

Commercial construction has been fairly flat in this area with the exception of Lake Hills Village Shopping Center.

The following new construction is in the planning stage, in progress, or recently been completed.

The Lake Hills Village Shopping Center is now complete. The village includes a remodeled King County Library; 56,000 sf of office space; 90 residential units and 70,000 sf of retail and restaurant space.



*Rendering of phase two by Lake Hills Village developer Cosmos*



Renovation of Samena Club fitness center.

15231 Lake Hills Blvd.,  
Bellevue



Tenant improvements for Fairlake Professional Plaza.

246030-0210-0270



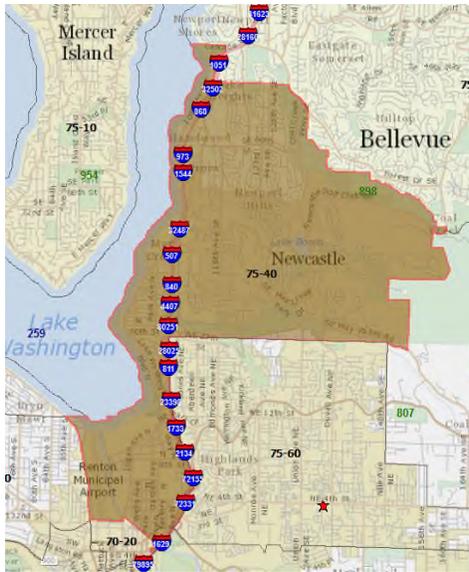
Remodel of existing building for child care center.

16007 NE 8<sup>th</sup> St., Bellevue

### **Neighborhood 75-40 – Newport/Newcastle/Kennydale and Renton Landing**

#### **Boundaries:**

- North – Newcastle Beach Park all the way east to Coal Creek Park
- South – Airport Way all the way east to N. Riverside Dr.
- East – Coal Creek Natural Area, south to China Creek Open Space and then I-5 south to the Cedar River.
- West – Lake Washington all the way south to Rainier Ave North



### **Neighborhood Description:**

Neighborhood 40 includes the city of Newcastle, Newport Hills, the remaining portion of south Bellevue, Kennydale and the Renton Landing. Each of these neighborhoods represents a distinct market within the south and east portions of the Suburban Bellevue market.

The Newport area includes two communities – the Newport Hills/Lake Heights neighborhoods located east of Interstate 405 and the Newport Shores district resting parallel to Lake Washington Shore, west of Interstate 405.

Newport Shores is built around strings of man-made bays. Boating and Lake Shore activities are prominent in this area. Expensive homes and condominium complexes are settled towards the waterfront.

Newport Hills was annexed by the City of Bellevue in 1992. It was largely developed in the 1960's and 1970's and consists mostly of residential housing with apartments and condominiums. Newport Hills is separated from I-405 by steep ravine hills. To the east, the neighborhood is bordered by the 146-acre Coal Creek Natural Area. It covers an area between Coal Creek and Lake Washington.

Newport Hills only neighborhood shopping center had a positive development recently as Resonate Brewery and Pizza opened its doors in the fall of 2015 and occupies the vacated long time tenant, Perry Co Chinese Restaurant located adjacent to the former Red Apple. The majority of Red Apple's former location is still vacant since they left in 2009.



*Image of Newport Hills Shopping Center*

Intracorp, a Seattle based developer is in talks with the current property owner. The company wants to rezone 85% of the 5.9 acre property. The plan would tear down the strip mall buildings and add townhouses and commercial properties fronting 119<sup>th</sup> Ave SE. This plan has been met with much opposition from concerned neighbors, citing congestion and a growing need for commercial space in the area.

Although Newport Hills and Newport Shores are not as vibrant as the other parts of Bellevue in terms of new constructions, the City of Newcastle on the other hand is thriving with an influx of new multi-family homes, retirement homes, and single family residences. The former mobile home park situated on the north side of Lake Boren is now 56 townhome units.



Sol Terra - Newcastle broke ground on their LEED Platinum - designed building in July 2015. The building consists of 99 apartment units above a 2,000 sf retail building.

*SolTerra - Atlas*

The former Mutual Materials brick plant, a 53 plus acre site, was sold for \$25 million in January of 2015 after it was listed for sale in February of 2012. Although the transaction closed and recorded 3 years after it was listed, an application for a multi-family residence (mixed-use residences) development was submitted to the City of Newcastle in November of 2013. With nearly 30 acres of usable area, (eliminating the sensitive areas such as wetland, streams, and topography issues) it is the largest parcel of developable land in the neighborhood if not the entire Newcastle and Bellevue areas.



*Rendering courtesy of Avalon Bay*

Avalon Bay Communities, is building 900 residences ranging from high end single family townhouses to midrise apartment residences and 49,000SF of restaurants and shopping for the area. At the beginning of 2018, construction is well underway and several apartments are now available.



*Rendering courtesy of Aegis Living*

Besides the single and multi-family development occurring in the City of Newcastle, a new retirement home was also completed in 2016. Aegis Senior Living, a retirement community catering to Chinese and Chinese Americans, is a 5-story, 110 unit Assisted Senior Living and Memory Care Provider located on Lake Boren. The community opened in the summer of 2017.

In addition to the Newport/Newcastle portion of 75-40, last year Kennydale and portions of Renton including the Renton Airport, The Landing, and all properties North/Northeast of the Cedar River to I-405 border have been merged into the neighborhood. Some of the major commercial properties in this area include the Virginia Mason Athletic Center (the Seahawks training facility), Boeing and Paccar facilities. This is a unique area, with differing markets as the core of downtown Renton is to the south and the Renton Highlands is to the east.

The Kennydale neighborhood is mostly older, single family residential homes on the hillside and newer million dollar homes along the shores of Lake Washington. Aside from the Virginia Mason Athletic Center, the Kennydale neighborhood is mostly comprised of small businesses serving the community.

There are two new commercial building projects either proposed or recently completed in the Kennydale area at the moment:

- **Veterinary Clinic**

A 2 story, 9,000 sf Vet Clinic right off of exit 7, east of 405 was completed in the summer of 2016.

- **Port Quendall Terminals**



Port Quendall Terminals announced the latest potential mix for its development; 692 residential units, 30,600 square feet of retail and restaurant space, and nearly 2,200 parking stalls. The highest building will be seven stories tall. The site is a large, 21 acre redevelopment of a Superfund site on Lake Washington in Renton, just south of the Seahawks Headquarters. The owners have spent over \$7M cleaning up the

site. Due to the extent of contamination, the clean-up is still a long ways to realize.

In the Renton Landing neighborhood, commercial market activity is thriving with continued occupancy at The Landing, a 68 acre newer lifestyle center which includes an LA Fitness center, Target Store, Dick’s Sports, TJ Max, Staples, Regal 16 Cineplex, restaurants, and clusters of line retail stores. It also includes two apartment buildings totaling 880 units combined. The Landing was the remnant of the former Boeing property, which in 2005 downsized their operation in Renton.

Besides the revitalization happening in the Downtown Renton core, this neighborhood is experiencing robust commercial development. The following are either current new constructions and/or renovation/remodels of existing structures:

- **South Lake Washington Revitalization**



South Lake Washington revitalization includes construction of several new hotels operated and managed by Legacy Hotel, Residence Inn by Marriott, and Southport Hotel.

Hampton Inn – located on 1300 Lake Washington Blvd, was completed in late 2016. It includes 105 rooms and 96 structured parking stalls.



Residence Inn by Marriott – located at 1100 Lake Washington Blvd, will include 145 rooms and 116 structured parking stalls. Construction is expected to get underway in 2018.

- **Southport**





The Southport office complex is a state of art center gear towards high tech tenants. It will consist of three nine-story office towers with a total of 724,520 gross square feet area of office use and 10,400 square feet of retail use. Builders broke ground in January 2016 with estimated occupancy expected in 2019. *(Rendering images courtesy of SECO)*



The 12-story, 347 room luxury waterfront hotel at Southport started in October of 2014 and was completed in 2017. It is located between the Boeing Renton plant and The Bristol Apartments on the shores of Lake Washington. It includes a restaurant, spa, executive meeting rooms, VIP lounge, convention center, indoor swimming pool & Jacuzzi, and indoor/outdoor exercise equipment.

- **Ace Aviation**



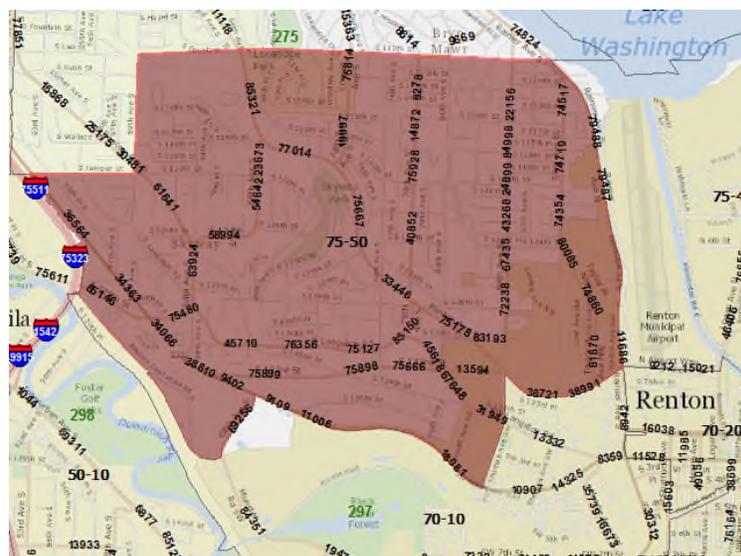
*Photo courtesy of Ace Aviation Inc.*

Ace Aviation completed a 31,000 sf addition in 2016, as well as remodeling their existing building. The addition features shop and painting space as well as office space. The building is located at 616 W Perimeter Road at the Renton Airport.

**Neighborhood 75-50 – Bryn Mawr - Skyway**

**Boundaries:**

- North – S 112<sup>th</sup> St
- South – S 132<sup>nd</sup> St to 68<sup>th</sup> Ave S
- East – Rainier Ave N
- West – I-5 to 59<sup>th</sup> Ave S



## Neighborhood Description:

The Skyway neighborhood is located within unincorporated King County, and occupies an area which extends to the borders of Seattle, Renton, and Tukwila. The neighborhood name historically stems from its proximity on a hill between the Renton Airport and the King County International Airport (Boeing Field). Primary access is via Renton Ave. S, Beacon Ave. S. and Martin Luther King Jr. Way S. Commercial uses are predominantly retail, service, and apartment, and are concentrated along Renton Ave S, the major commercial corridor which meanders through this neighborhood. Newer construction has been limited to public school and administration buildings as well as private development of multi-family housing along Martin Luther King Jr. Way S. in the southwest corner of the neighborhood.

Skyway has limited commercial and retail development compared to surrounding areas. A few national retailers or service providers are located in adjacent neighborhoods (Rainier Valley, Renton, SODO, and Tukwila). Storefronts are typically owner occupied or leased by small businesses, i.e. barber shops, sewing shops, thrift shops, auto service and parts stores, neighborhood churches and small grocery stores. The commercial neighborhood is also predominantly surrounded by residential communities: Bryn Mawr, Lakeridge, Skyway, Earlington, Campbell Hill, Panorama, Skycrest, and Top Hill. A Westhill annexation effort to the city of Renton was voted down by the residents several years ago. Subsequently, the area continues to rely on services provided by unincorporated King County. The neighborhood also experienced limited commercial development as compared to surrounding neighborhoods.

A new 8,000 sf King County Library was completed in January 2016. Otherwise, no major commercial developments are underway in the Bryn Mawr – Skyway neighborhoods.

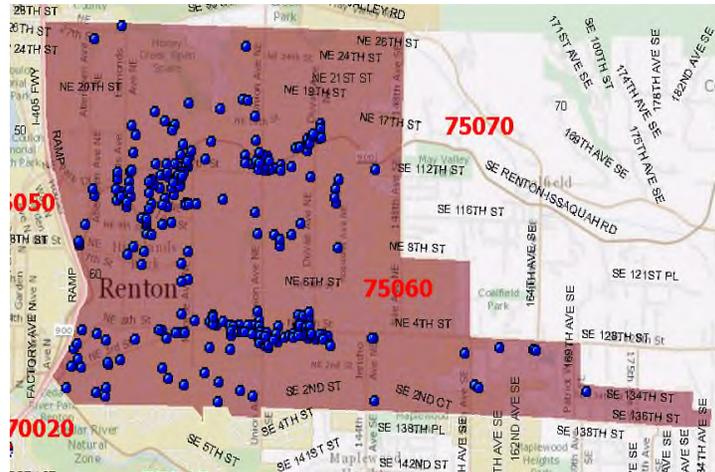


*Picture courtesy of kcls.org*

## Area 75-60 – Renton Highlands

### Boundaries:

- North – NE 28<sup>th</sup> Street
- South – SE 2<sup>nd</sup> Place to Evergreen Drive all the way to NE 1<sup>st</sup> Street
- East – Urban Growth line
- West – Interstate 405



### Neighborhood Description:

This neighborhood covers the Renton Highlands business districts along Sunset Boulevard and NE 4<sup>th</sup> Street. This area has a great deal of commercial properties consisting of retail, restaurants, industrial sites, and an abundance of multi-family units. Many of the newer residential developments in Renton are in this area. Dated commercial buildings are prominent along Sunset Boulevard. Although vacancies are low and the area has a high traffic count, this section is no longer the primary commercial center for the Renton Highlands.

The new 15,000 square foot library was completed in 2016. It is located on a Renton Housing Authority owned parcel near Sunset Blvd and Harrington. This location has a presence on the main arterial. The city has been a finalist for a HUD “Choice Neighborhoods Implementation” grant or CNI, worth up to \$30 million to fund the redevelopment of this 49 year old, 7.3 acre community. The plan is to redevelop it into



as many as 100 energy efficient, mixed income units, and will allow for other improvements along

this corridor. The Renton team may apply again for a CNI grant and is also pursuing alternative funding.<sup>12</sup>

The Renton School District just completed a \$30M Early Childhood Learning Center named Meadow Crest located at 1800 Index Ave NE. It replaced the Hillcrest School that was on the site.



Meadow Crest Early Learning Center – Picture from Rentonhousing.org

The city is planning to build a pedestrian walkway connecting the Highlands to the Landing. It will go under the freeway to eliminate the current I-405 barrier connecting the neighborhoods.

Northeast 4<sup>th</sup> Street is the newer, more desirable shopping and commercial center with high-end grocery stores, coffee houses, and other retail services to benefit the residents of many single-family homes, condominiums, and apartments in this area. There was a new Firestone Tire Center built off NE 4<sup>th</sup> adjacent to the Safeway Center and a new mixed-use condo project just south of NE 4<sup>th</sup> St. with retail/office that occupies the bottom floor. The City of Renton’s Highlands Task Force continues to assess development potential for the Renton Highlands area (both the Sunset Boulevard and NE 4<sup>th</sup> Street corridors). There is also a planned phase-in of street widening on NE 4<sup>th</sup> Street in the Highlands area but it has not yet broken ground.

• **The Sunset Area Community Revitalization Program aspires to include the following developments:<sup>13</sup>**



\*Complete Streets upgrades to NE Sunset Boulevard and other local streets which includes improvements to storm water drainage systems

\*New and rehabilitated parks and recreation facilities

\*New King County public library

\*Better connections to support services for public housing residents

\*Sustainable infrastructure

\*Bike and walking paths

<sup>12</sup> Rentonwa.gov/sunsetarea/

<sup>13</sup> City of Renton

\*Sunset Terrace public housing (see rendering image from the previous page) will be redeveloped to include new residential units with a mix of public, affordable, and market-rate homes. It will also have a potential capacity for an additional 2,300 new dwelling units and 1.25 million square feet of service/retail space in the 269-acre neighborhood over the next 20 years.



A new Gas Station was completed in 2015 and is located on the corner of NE 4<sup>th</sup> St. and Duval Ave. NE. It is operated by Kroger Company under the brand name QFC Gas Station.

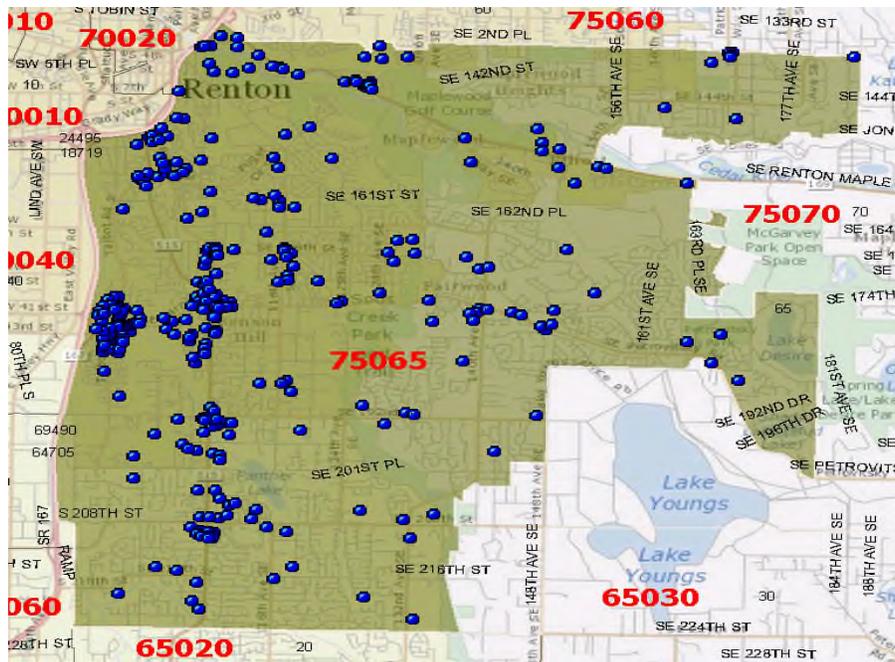
A 12,000 sf daycare center (Kiddie Academy) was completed in the summer of 2016.



### **Area 75-65 – Benson Hill/Fairwood/Panther Lake/& Cedar Valley**

#### **Boundaries:**

- North – I-405 to State Route 169 to Alder Place to SE 144<sup>th</sup> St
- South – SE 222<sup>th</sup> Street
- East – Urban Growth line
- West – State Route 167



**Neighborhood Description:**

This neighborhood covers the Benson Hill, Fairwood, and Panther Lake areas of Renton, Kent, and portions of unincorporated King County near Highway 169. This area offers primarily residential living with neighborhood shopping centers, small office buildings, medical office buildings, schools, and churches. This is the most southern portion of Area 75 and still has large tracts of vacant land and timber among the residential housing.

In the Benson Hill area, there are a number of medical offices adjacent to the Valley Medical Center. Valley Medical inked a new deal with UW Medicine and is now co-branded as UW Medicine Valley Medical Center.

McDonald’s fast food chain relocated to a brand new building adjacent to CVS and abandoned its former location of more than 20 years located less than a quarter of a mile south of Benson Road. Just like McDonald’s Restaurant, Wendy’s Restaurant built their new high tech, modern building right across from CVS. It was the former site of Shari’s restaurant, which was demolished to make way for Wendy’s. Wendy’s was the first to move out of their former location of more than 20 years which is adjacent to McDonald’s former location. Since the Dept. of Transportation removed the middle right/left turn lane along Benson Road (SR 515) and built a barrier, several Quick Service Restaurants lined-up along this stretch of the road complained that their business experienced a slowdown after this traffic changed.



*(Image above courtesy of King County Housing Authority)*

At the end of 2015, the King County Housing Authority completed *Vantage Point*, a 77-unit apartment development for low-income seniors in Renton. The \$18 million project is located next to the North Benson Shopping Center in the Benson Hills neighborhood. It has 72 one-bedroom and five two-bedroom apartments.



*Image Courtesy of Renton Housing Authority*

La Fortuna is a new multi-family development project by Habitat for Humanity located in Renton. These townhomes were built in a total of eight buildings varying in size from three to nine units each. La Fortuna is located in Renton's Benson Heights neighborhood, off Petrovitsky Road in an area zoned Residential Multifamily. Half of the site will be dedicated to open space. The four phases include 41 homes.

Eagle Ridge apartment is a new development which was completed in July 2015. These are two 4-story buildings with a total of 117 apartment units. The southernmost building has 61 residential units and 4,039 square feet of office use on the ground floor. And the northernmost building has 56 residential units.





A new multi-family apartment development called Avana Trails (parcel 292305-9022) containing 164 units on three parcels totaling 10.77 acres. It is comprised of 13 separate multi-family building structures and one recreation building, totaling 183,795 square feet.

On the Maple Valley Highway at 152<sup>nd</sup>, the new Cedar River Station was completed in 2015 and has 21,700 square feet of retail. This is three retail buildings plus a Chevron Gas Station located on SE Maple Valley Highway (SR 169) and 152<sup>nd</sup> Ave SE. *(Rendering image below courtesy of Cedar River Developer)*



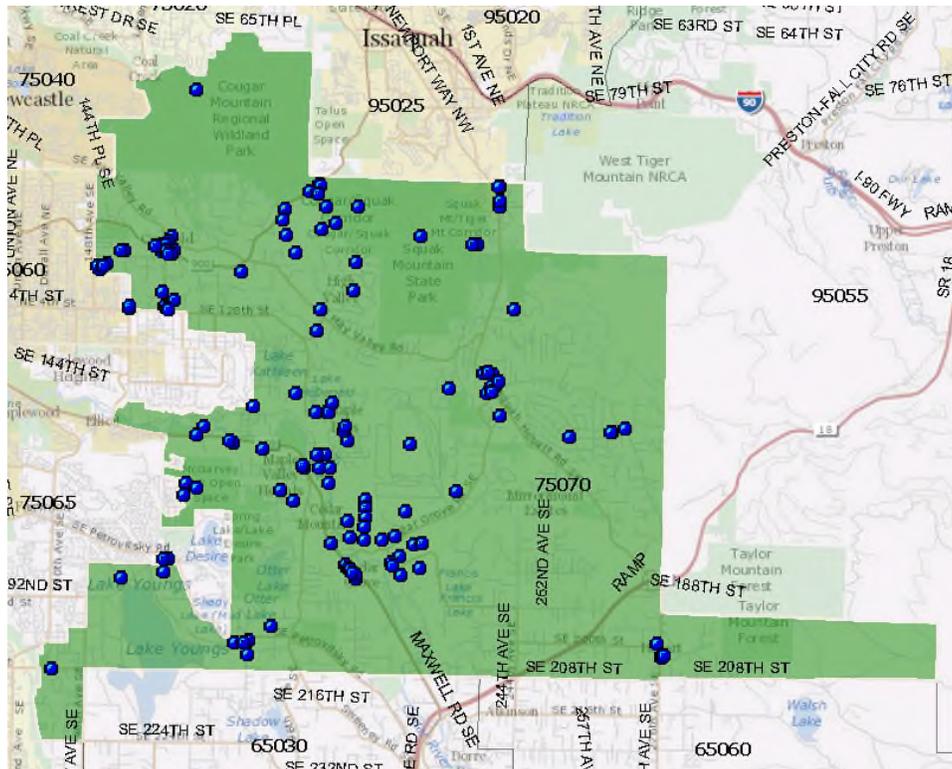
*Photo obtained during site inspection*

A substantial remodel was completed in 2015 on the Inspired Medical Building. The update brings the building up to a modern look and functionality. The building is located on 10915 SE 176<sup>th</sup> St.

## Area 75-70 – Cedar Basin/May Valley

### Boundaries:

- North – Cougar Mountain Regional Park all the way east to Squak Mountain State Park
- South – SE 208<sup>th</sup> Street
- East – West Tiger Mountain to 276<sup>th</sup> Ave. South to Taylor Mountain Forest
- West – Urban Growth line



### Neighborhood Description:

This neighborhood represents the other unincorporated section of Area 75. Geographically it is large, but it has limited developed commercial properties. Commercial properties in this neighborhood are mining, greenhouse/nurseries, Mobile Home parks, churches, camps grounds, sports facilities, service buildings, taverns, restaurants, and some retail that cater to the local residents. Some large tracts of parcels are used for mining or other natural resources extractions.

This neighborhood is outside of the urban growth line and thus limits any potential developments from happening. As such, no new development has sparked in this neighborhood currently and in the past year.

## **Physical Inspection Identification**

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.

All of area 75-60 was physically inspected for the 2018 Assessment Year as required by WAC 458-07-0154(a). This inspection area comprised of 260 parcels, or approximately 13.83% of the 1,808 total parcels located in Area 75 (not including specialty parcels). A list of the physically inspected parcels and an identifying map are included in the addendum of this report.

## **Scope of Data**

### **Land Value Data:**

Vacant sales from January 2015 through December 2017 were given primary consideration for valuing land. Thirty-four arm's length land sales closed during this period in Area 75. Historical sales included in previous reports were also considered to provide additional perspective on land values in the area. The sales verified as "good" were coded "Y" in the Assessor's records. Multi-parcel sales were also considered after combining the various aspects of all parcels involved in the sales.

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 were considered in the analysis of the land values. The comparative sales approach generally is considered the most reliable method for land valuation. Zoning, location, and site size were primary variables considered in the valuation process. Changes were made based on recent land sales and to achieve equalization in neighborhoods in accordance with zoning, size and location. In the absence of sales in a neighborhood, sales in other similar neighborhoods were considered. Appraiser judgment prevails in all decisions regarding individual parcel valuation. 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.

### **Improved Parcel Total Value Data:**

Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales considered were verified, if possible, by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Sales are listed in the "Sales Used" and "Sales Not Used" sections of this report. Additional information resides on the Assessor's website.

## Land Value

### Land Sales, Analysis, Conclusions:

Area 75 has experienced an upward overall trend in land sale prices values as well as stability in sales transaction volume. There are 34 verified good commercial land sales that have occurred during the last three years and were utilized for the 2018 revalue. The 2017 revalue had 35 land sales. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. In some neighborhoods, new commercial development sites were created through the demolition of existing single family residences located on commercially zoned lots and through the demolition of older commercial buildings. For land valuation purposes, the assessor used GIS (Geographic Information System) as the primary tool to establish new assessed land values.

The new land values are based on neighborhood land sales that are equalized with adjacent and similarly zoned properties. Every effort was made to equalize the assessed land values of similarly zoned land between similar adjacent areas. Assessed land values are based on land sales of properties with the same zoning or with similar development potential.

Overall, the recommended land values (including specialty parcels) for the 2018 assessment year result in an increase from the 2017 assessment of 6.44%. Properties in the cities of Newcastle, Kennydale, Renton and May Valley were among the neighborhoods with the largest land value increases. The total recommended assessed land value for the 2018 assessment year is \$5,201,906,800. The chart below is the breakdown of the total land values in Area 75 by neighborhood including all specialty parcels.

Change in Assessed Land Value by Area			
Neighborhood	2017 Land Value	2018 Land Value	% Change
75-10	\$741,324,600	\$784,974,100	5.89%
75-20	\$1,441,945,400	\$1,513,284,600	4.95%
75-35	\$378,361,200	\$392,367,800	3.70%
75-40	\$900,347,300	\$1,005,241,200	11.65%
75-50	\$132,700,600	\$137,680,200	3.75%
75-60	\$406,431,900	\$434,079,500	6.80%
75-65	\$801,735,800	\$842,629,000	5.10%
75-70	\$84,116,800	\$91,650,400	8.96%
<b>Total</b>	<b>\$4,886,963,600</b>	<b>\$5,201,906,800</b>	<b>6.44%</b>

## Neighborhoods and Sales

The assessor used recent historic sales (three years) and GIS (Geographic Information System) as the primary method of establishing new assessed land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. The assessor also used location influence, zoning, lot shapes, sensitive area impacts (i.e. wetlands, streams, creek, topography, etc.), and lot size as an indicator for setting land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. The Sales Comparison approach to valuation was considered the most reliable and was utilized in the land valuation model. For the most part, values were estimated as a price per square foot. Smaller lots were valued using site value as recognized by the market. Assessed Land Values are based on land sales of properties with the same zoning or similar development potential. Adjustments for topography, location, size, irregular shape, major power lines, streams, wetlands, and other such influences were considered.

A list of vacant land sales used and those considered not reflective of market (Sales Not Used), are included in the addendum section of this report.

## Area Overview

Since the beginning of 2015, there have been a total of 34 commercial land sales throughout Area 75 that meet the requirements of a fair market transaction.

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 75-10 Mercer Island

Over the past decade, downtown Mercer Island has undergone major transformation where commercial space and multi-family units were created. From 1/1/2015 to 12/31/2017, there was only one commercial land sale in this area. Two sales, parcels 531510-0505 and 531510-0986/0995 were also considered even though they occurred prior to 2015.

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price / SQ FT
531510-0457	8/14/15	\$7,900,000	103,018	MF-2	Downtown	\$76.69
531510-0505	9/29/14	\$8,653,356	82,020	TC	Downtown	\$105.50
531510-0986; 531510-0995	12/27/13	\$2,350,000	51,281	MF-2	Downtown	\$45.83



Parcel 531510-0457

**Parcel 531510-0457 (E# 2749612): Sold to a builder for \$76/SF.** Property was vacant at time of sale. This sale is considered to be a land sale. The buyer plans to demolished existing improvements and build a new senior retirement home.



531510-0505 (Hadley Apartments)

major development on Mercer Island in the past couple of years. The moratorium on development in the Town Center zoned portion of the island (in effect from February 2015 – June 2016) was preventing the initiation of other projects.

**Parcel 531510-0505 (E# 2692722):** Although it was not exposed to the open market, as the buyer approached the seller, this sale was an arms-length transaction. This was considered a land sale with a teardown for redevelopment. In October of 2014, construction began of a 209-unit luxury apartment known as The Hadley Apartment with underground parking for 244 cars in addition to four commercial spaces totaling 9,200 square feet at ground level. It was the only



Parcel 531510-0986/0995

**Parcel 531510-0986 and -0995 (E#2649536):** Sold to a builder for \$45/SF. 18 townhome units were built despite topography issues. This equates to \$130,555/unit. This parcel is zoned MF-2, a Multi Family zoning. It was assigned to the Commercial Appraisal group at the time of sale but has since been transferred to residential when the townhomes were built. Despite the transfer to Residential, this sale is still a great indication of multi-family land values in the area.

**Area 75-20 South Bellevue/Factoria/I-90 Corridor**

This neighborhood intersects Interstate 90 and 405, two major freeways. Although it is located in a highly sought after location, very few vacant land transactions have occurred in this neighborhood in the previous years. Two sales have occurred in Area 75-20 from 1/1/2015 to 12/31/17; therefore land sales from adjacent areas have been utilized to supplement.

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price/SQ FT
142405-9106	6/12/2015	\$1,100,000	43,539	R-5	75-20	\$25.26
162405-9032; -9046	2/13/2015	\$2,900,000	106,674	R-20	75-20	\$27.19

**Parcel 162405-9032/9046 (E#2714859):**

This is a multi-parcel sale with -9032 and -9046. Both properties were purchased at the same time for a total sale price of \$2,900,000. Buyer is in the process of building 24 luxury townhomes. Purchase was funded by an investment group.



*Parcel 162405-9032/9046*

Land values for usable commercially zoned parcels along the I-90 Corridor are between \$3.50 and \$62 per SF. Supporting sales for this market area are the adjacent areas; Area 80 (Bellevue/Crossroads) to the North and Area 95 (Issaquah) to the East.

**Area 75-35 East Bellevue/Lake Hills to Crossroads**

This neighborhood encompasses areas in East Bellevue, Lake Hills, and Crossroads which abuts Area 80 to the north. Since 2015, area 75-35 has had one land sale. Therefore, sales in the adjacent areas affected the land values in this neighborhood.

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price/SQ FT
352505-9057	6/30/15	\$1,500,000	22,500	NB (Neighborhood Business)	75-35	\$66.67



**Parcel 352505-9057 (E# 2741046):** The buyer owns the adjacent parcel and plan to expand the shopping center. Property was listed for 3 months and received 2 offers. A new Key Bank and Medical office was underway in the summer of 2017.

**352505-9057**

Land values for usable commercially zoned parcels in neighborhood 75-35 range from \$1.75 and \$57 per SF. Supporting sales for this market area are the adjacent areas; Area 80 (Bellevue/Crossroads) to the North and Area 95 (Issaquah) to the East.

Supporting sales from adjacent market areas that were used for neighborhood 20 and 35 are listed on the following grid:

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price / SQ FT and Comments
262505-9200	01/15/16	\$21,000,000	337,641	CB	Bellevue Crossroads (80-30)	\$62.20
262505-9200	01/15/16	\$33,175,000	337,641	CB	Bellevue Crossroads (80-30)	\$98.26
272505-9172	04/18/16	\$6,750,000	110,182	BR-ORT	Bellevue Overlake (80-50)	\$61.26
282505-9012	06/14/16	\$13,000,000	149,840	BR-RC-2	Bellevue Midlakes (80-70)	\$86.76
292505-9292	08/23/16	\$1,410,000	11,875	BR-MO	Bellevue Midlakes (80-70)	\$118.74
532800-0065	08/16/16	\$1,100,000	8,740	BR-MO	Bellevue Midlakes (80-70)	\$125.86
532800-0070	08/16/16	\$1,115,000	8,740	BR-MO	Bellevue Midlakes (80-70)	\$127.57
793330-0060	02/24/16	\$13,300,000	64,175	BR-OR-1	Bellevue Midlakes (80-70)	\$207.25
793330-0120	08/25/16	\$8,336,900	54,688	BR-OR-1	Bellevue Midlakes (80-70)	\$152.44
064580-0110	11/20/15	1,070,000	14,965	BR-MO	Bellevue Midlakes (80-70)	\$71.50 (Multi-parcel sale)
939970-0900	11/20/15	3,100,000	74,487	LI (Light - Industrial)	South of downtown Bellevue (80-90)	\$41.61
332506-9025	5/8/15	500,000	21,780	TC A1	Sammamish (95-10)	\$22.95
332506-9064	3/26/15	\$1,052,000	44,431	TC A1	Sammamish (95-10)	\$23.67
332506-9106	6/2/15	3,016,530	120,661	TC B	Sammamish (95-10)	\$25.00
222406-9002	9/25/15	2,550,000	95,832	MF-M	Issaquah (95-20)	\$26.61 (Retirement home planned)
282406-9031	3/31/15	540,000	10,320	CBD	Issaquah (95-25)	\$52.32 (10% unusable - stream)
884430-0035	10/15/15	1,613,330	39,600	MUR	Issaquah (95-25)	\$40.74

After analyzing the vacant land sales in nearby areas, both neighborhoods necessitate upward adjustments.

#### **Area 75-40 Newport/Newcastle/Kennydale/Renton Landing**

Three commercial land sales have occurred in the Newcastle and the Renton Landing area in the last 3 years. These recent sales show that land values in this neighborhood warrant an upward adjustment to keep up with the market. There was no vacant commercial land sale activity in the Newport Hills and Kennydale areas. Sales from competing market areas as well as older sales were used in developing the land values for 2018.

There have been several commercial developments scattered along Southeast Lake Washington, the newest retail core in Renton called The Landing, and the old Renton neighborhood north of downtown just south of The Landing. While north of downtown is mostly developed with older single family residences that were either converted to office use or multi-family; and some are still currently used as single family residences either owner occupied or rented out. The Landing was the by-product of Boeing during the 2005 downsizing era. They sold approximately 20 acres to “The Harvest”, an out of state developer who solely developed the entire complex with theater, restaurants, line retail, and several anchor retail stores. They also allocated a section of the land for multi-family use and sold it to “The Fairfield”, a major apartment developer who built “The Sanctuary Apartments” and “The Reserve Apartments”.

Three major hotel developments and a convention center are recently completed or underway in the Renton Landing area adjacent to Gene Coulon Park that will add approximately 600 hotel rooms.

The Southport project on parcels 052305-9075 and 082305-9216 is the largest of the area hotel developments. This project is a 12 story - 325 room Sheraton Hotel, with an additional 40,000 sf of meeting and convention space. This waterfront development was completed in 2017.<sup>14</sup>

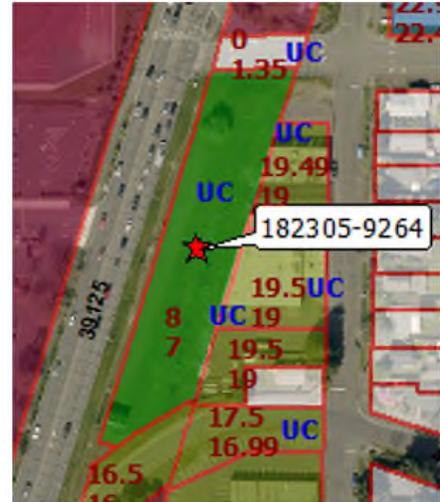
Vacant land values for usable commercially zoned parcels in this area range from \$5 to \$45 per SF.

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price / SQ FT
182305-9264	12/5/17	\$1,250,000	47,081	UC	Renton	\$26.55
606125-0070, 0080, 0090 and 0100	1/24/17	\$17,000,000	342,262	MU-R	Newcastle	\$49.67
272405-9006 272405-9040 282405-9099	1/9/15	\$25,000,000	2,331,280	MU-R	Newcastle	\$21.26 (Approximately 27 acres usable per Newcastle Planner)

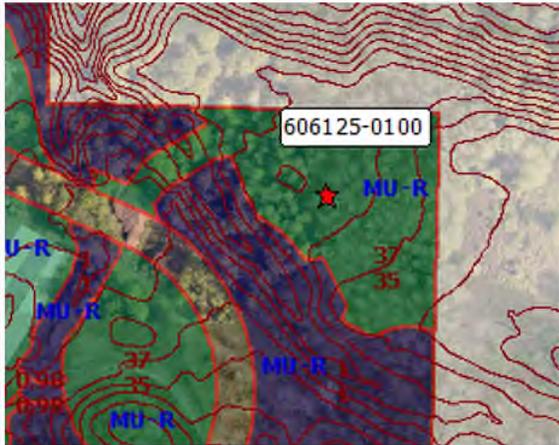
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<sup>14</sup> Renton Reporter

**Parcel 182305-9264 (E# 2905736):** This parcel is flat and dry. It appears to be an arm's length transaction.



Parcel 182305-9264



Parcel 606125-0100

**Parcel 606125-0070, 0080, 0090 and 0100 (E# 2845661):** This sale was actively marketed with multiple offers. Price was determined through broker opinion and market consensus. All cash purchase. Quadrant intends to construct 129 for sale townhome units. This multi-parcel sale totals 8.44 acres. This equates to \$49.67/SF.

**Parcel 272405-9006, 272405-9040 and 282405-9099 (E# 2709354):** The former Mutual Materials brick manufacturing site was purchased on January 9, 2015, by Avalon Bay for future development. The parcel has Mixed Use Residential (MU-R) zoning which allows for 75 foot building heights. It has several streams, topography, wetlands, and possibly Coal Mine Hazard impacts. According to the City of Newcastle's Senior Planner, about 27 acres is usable land. This equates to \$21.26/SF usable land on the sale of \$25,000,000. The project will include a proposed 760-900 new homes, in variety of housing options ranging from high end single family townhouses to midrise apartment residences. Construction is underway and some units are already available for lease.

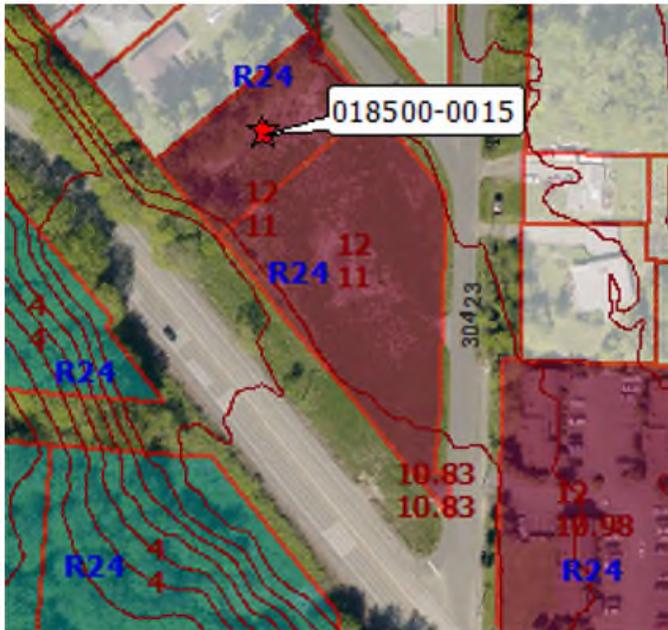


Parcel 272405-9006, 272405-9040, 282405-9099

### Area 75-50 Bryn Mawr -Skyway

Bryn Mawr – Skyway lies in the unincorporated area between Seattle, Tukwila and Renton. Eight commercial land sales have occurred in this area in the past 3 years. Commercial uses are predominately retail, service and apartment. The neighborhood is mature and very little new development is underway with the exception of multi-family zoned parcel sales, which continue at a steady pace in the area.

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price / SQ FT
018500-0010/15	5/25/17	\$1,200,000	58,730	R24	Skyway (75-50)	\$20.43
217200-0685	1/26/17	\$82,000	55,860	R24	Skyway (75-50)	\$1.47
768960-0975	3/14/17	\$350,500	87,300	R24	Skyway (75-50)	\$4.01
023200-0010	4/27/16	\$80,000	9,400	R24	Skyway (75-50)	\$8.51
112304-9095	3/17/16	\$740,000	119,388	NB	Skyway (75-50)	\$6.20
322405-9010	4/28/15	\$785,000	249,600	CA	Skyway (75-50)	\$3.15
000140-0022	3/30/15	\$260,000	35,220	R24	Skyway (75-50)	\$7.38
142304-9006	2/19/15	\$420,000	78,843	R24	Skyway (75-50)	\$5.33



018500-0015

**Parcel 018500-0010/15 (E#2868094):**  
Land sale, purchased by a church. Corner lot, gently sloping and dry.

**Parcel 217200-0685 (E#2846786):** The lot is impacted by wetlands. According to the Assessor's 5/2009 note, the lot has wetlands covering approximately 85% of it.



217200-0685



768960-0975

**Parcel 768960-0975 (E#2853468):** Appears to be an arm's length sale per buyer's comments. Property was listed on the market for several years. The land has drainage issues due to hard bedrock. The intention is to build a low income apartment. Buyer claims that if the drainage easement cannot be resolved, the property owners would render the property worthless.

**Parcel 023200-0010 (E#2793234):** Territorial R24-zoned commercial land w/ west-facing views in the up & coming West Hill community sold @ only \$10.43/sf or 5 units @ \$19,600/unit. Flexible zoning provides for a mixed-use development opportunity- apartments, townhouses, offices, etc. -per Costar.



Parcel 023200-0010

**Parcel 112304-9095 (E#2785312):** The property wasn't listed, it was for sale by owner. The sale price was determined by the seller who is a broker. It was a bank financed sale. Buyer plans to build a church. Wetland located in a small area, per buyer.



*Parcel 112304-9095*

**Parcel 000140-0022 (E# 2721720):** Cash sale, purchased as an investment. This is most likely a teardown sale, as the lot is zoned R-24. This triangular shaped lot has some topography. After estimating the effective usable lot at 70% of the total parcel, the lot effectively sold for \$10.54/SF.



*Parcel 000140-0022*

**Parcel 142304-9006 (E#2715036):** Zoned R24, the lot is impacted by topography and has challenging access limiting the parcel to an estimated 70% of usable area. This equates to an effective sale price of \$7.61/SF.



*Parcel 142304-9006*



**Parcel 322405-9010 (E#2729307):** Per parcel King County Wetlands Rendering Overlay Calculator, the parcel is 68% covered in wetlands. Purchased by the city of Renton.

Parcel 322405-9010

### Area 75-60 Renton Highlands

This neighborhood is located on the hill above Interstate 405 southeast of Lake Washington and south of Newcastle. It is improved with a variety of commercial properties that mostly cater to the residential and multi-family housing in this neighborhood.

There were six commercial land sales in this neighborhood for the past three years ending 12/31/2017.

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price / SQ FT
172305-9180	9/19/17	\$155,000	129,123	RM-F	Highlands	\$1.20
329540-0120	12/14/16	\$500,000	28,495	CA	Highlands	\$17.55
311990-0005 -0010, -0011	5/12/15	\$275,000	38,910	RM-F	Highlands	\$7.07
518210-0012	5/19/15	\$945,000	73,694	CA	Highlands	\$12.82
518210-0043	5/15/15	\$700,000	31,243	CA	Highlands	\$22.41
722780-1780	6/2/15	\$347,548	18,292	CV	Highlands	\$19.00

**Parcel 172305-9180/9171 and 162305-9010 (E# 2890345):** Multi-parcel sale, the lot has topography and a restricted size/shape.



Parcel 172305-9180



Parcel 329540-0120

**Parcel 329540-0120 (E# 2839726):** Land is dry and flat. Appears to be an arm's length transaction.

**Parcel 311990-0005, -0010, -0011 (E#2730434):** The property was listed for approximately 10 years. It was a cash purchase. The buyer intends to build townhomes, per neighbor.



Parcel 311990-0005



**Parcel 518210-0012 (E# 2734115):** Multi-parcel sale: 518210-0012 is the primary parcel and has a low value building on it, -0011 has a tear down building and -0014 is vacant.

*Parcel 518210-0012*

**Parcel 518210-0043 (E# 2732429):** Property was listed for 2 years. Buyer completed “Kiddie Academy” daycare center in 2016. Lot is flat and dry.



*Parcel 518210-0043*



**Parcel 722780-1780 (E#2736372):** Lot is flat and dry. The city of Renton Housing Authority has no plans for the site at the time.

*Parcel 722780-1780*

Vacant land values for usable commercially zoned parcels in this area range from \$1.05 to \$24 per SF.

## Area 75-65 Benson Hill/Fairwood/Panther Lake/Cedar Valley

This neighborhood is located southwest of Renton just above the hill of the hospital district, the UW-Valley Medical Center, east of Highway 167 and west of Highway 169. The Benson Hill area has been particularly active for the past couple of years. Several land sales have occurred that triggered the developments of multi-family apartment complexes, Retail, and Fast Foods along Talbot Road and Carr Road. New CVS Pharmacy Store, McDonald's restaurant, and Wendy's were recently completed in 2014.

There were six commercial land sales that occurred in this area in the past three years.

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price / SQ FT and Comments
073900-0050	7/10/17	\$200,000	33,542	RM-F	Benson Hill	\$5.95
292305-9009	4/26/17	\$2,000,000	164,827	RM-F	Benson Hill	\$12.13
662340-0170	8/13/17	\$1,627,765	89,465	CC-MU	Benson Hill	\$18.19
292305-9009	11/23/15	1,430,000	164,828	RM-F	Benson Hill	\$8.67
272305-9049	6/15/15	\$205,000	73,180	R18	Fairwood	\$2.80
292305-9042	2/23/15	\$1,850,000	76,615	CA	Benson Hill	\$24.15



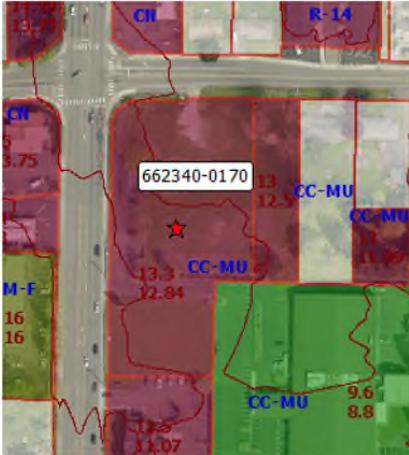
073900-0050

**Parcel 292305-9009 (E# 2860682):** Property was marketed for approximately 90 days. A portion of the property was disclosed to the buyer as a severe coal mine hazard area and another area as a declassified coal mine area. These areas are non-buildable because of underlying coal mining. It is unclear how much of the parcel is impacted. Buyer intends to build a 74 unit apartment complex.

**Parcel 073900-0050 (E# 2876336):** Property was listed for one year. Sale price determined by appraisal. The property has a powerline easement. The assessor has made a 35% reduction to value to account for this. The buyer owns the adjacent parcel -0055.



Parcel 292305-9009



**Parcel 662340-0170 (E# 2887870):** Property had been listed for sale for approximately 10 years and had a lot of interest but not clear if anyone attempted to purchase prior to this. Sale price was determined based on appraisals. Buyer is the adjacent New Beginnings Church. Campus expansion is planned in the future. The existing building is a tear down.

Parcel 662340-0170

**Parcel 292305-9009 (E#2768843):** Property was listed for 3-4 years. Sale price was determined by market analysis. This was a cash purchase, no concessions. Buyer intends to develop the property into apartments, per buyer.



292305-9009



**Parcel 272305-9049 (E# 2738491):** Property was listed for several years. Purchased below list price, per seller. Buyer's intentions unknown. Wetlands impact the lot and approximately 31% is usable or \$9.03/ SF.

Parcel 272305-9049

**Parcel 292305-9042 (E# 2716065):** The buyer is constructing a new 55,400 square foot, three-story, convalescent center containing 60 beds to be used for short term rehabilitation services. The subject property is located on the southeast corner of SE 174th street and 106th place SE.



*Parcel 292305-9042*

Vacant land values for usable commercially zoned parcels in this area range from \$.60 to \$38.00 per SF.

**Area 75-70 Cedar Basin/May Valley**

This neighborhood is the most southern edge of area 75 and is the most rural area. The commercial developments in this neighborhood are mostly neighborhood retail and service buildings that cater the residences and passersby. It also has some mining properties that are still active and some that are stagnant ready for future redevelopment.

There are two commercially zoned, vacant land sales that have occurred in this neighborhood in the last three years. Sales from competing market areas of similar zoning such as single family zoned sales were used for those single family residence zoning improved with churches and private schools.

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price / SQ FT and Comments
192306-9026	7/11/16	\$9,500,000	1,105,988	I	Maple Valley Hwy	\$8.59
222306-9095	3/31/16	\$250,000	273,556	NB	Maple Valley Hwy	\$0.91 Vacant Land (Wetland on 56%, sale price is effectively \$2.07/SF)



Parcel 192306-9026

**Parcel 192306-9026 (E#2808307):** This property wasn't listed on the open market. Buyer contacted owner and made a big offer. A premium was paid (cash) to get previous owner to sell. The buyer is an asphalt company. Their lease at previous site was expiring and they were under pressure to find a new location very quickly. They plan to build an asphalt plant on the property. The buyer tore down 5 buildings as a part of the deal. This parcel is impacted by steep topography, wetlands and contamination.



Parcel 222306-9095

**Parcel 222306-9095 (E#2788461):** Sale appears to be an arm's length transaction. Price was based on actual amount of usable land. Bank financed. Buyer intends to develop the lot into commercial property. The adjacent property owner purchased the land.

Supporting sale from adjacent market areas:

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price / SQ FT and Comments
262205-9063/-9071	3/31/16	\$550,000	68,924	CC	Maple Valley Highway (65-30)	\$7.98
362205-9001/9184	3/25/16	\$350,000	392,910	MC	Maple Valley Highway (65-30)	\$.89
412700-0879	6/28/16	\$6,437,500	490,538	CC	Maple Valley Highway (65-30)	\$13.12
362205-9039	7/27/15	\$1,770,000	132,858	TC	Maple Valley Highway (65-30)	\$13.32
102206-9013	3/23/15	\$110,000	9,117	NB	Maple Valley Highway (65-30)	\$12.07



**Parcel 262205-9063/9071 (E# 2788851):** Multi-Parcel sale. According to the listing agent, the parcel is not connected to sewer however, sewer is available in street. In addition -9071 has a significant bow in the middle and would need quite a bit of fill to be level with the street and parcel -9063.

**Parcel 362205-9001/-9184 (E# 2787925):**

Spoke with city of Kent official who oversaw sale. Owner was very motivated to sell because they were moving out of area. These two sites sit north of Armstrong Springs, a major well for the city of Kent. The subject properties allow the city to further protect that well. The city's plans include demolishing the mobile home and outbuildings still on the site and returning the subject properties back to their natural state. These properties will be used as protection for both the stream and the well. The sale comes in on the low end of the market rate for wetlands.



**Parcel 412700-0879/0870/0878 (E# 2807096):** Multi-parcel sale, appears to be arm's length transaction.

**Parcel 362205-9039 (E# 2758564):** Property listed for 7 years. It is reported that the property was at lower end of range because buyer had to pay City of Covington \$775K to hook up to sewers for development and seller wanted all cash for deal. Included the \$775K hook up fee in sales price and sale appears to be at market. This is considered a teardown sale.



**362205-9039**



**Parcel 102206-9013 (E# 2720367):** This triangular shaped property was originally listed in 2011 for \$119,000. It sold in 2015 for \$110,000.

**102206-9013**

Vacant land values for usable commercially zoned parcels in this area range from \$.18 to \$18.00 per SF.

The table on the following page summarizes the land valuation model as it was applied to the properties in Area 75. All dollar amounts are stated as a price per square foot of land area. The table is intended as a guide to “typical” land values with additional adjustments made for individual site variations.

**Typical Land Value Ranges**  
By Neighborhood and Land Use  
2018 Revaluation

		Area 75 Neighborhoods							
		75-10	75-20	75-35	75-40	75-50	75-60	75-65	75-70
Property Types	Land Zoning Designation	Mercer Island	South Bellevue Factoria & I-90 Corridor	East Bellevue/Lake Hills to Crossroads	Newcastle Newport Kennydale Renton Landing	Bryn Mawr - Skyway	Renton Highlands	Renton Fairwood & Benson Hill/Kent/Panther Lake	Unincorporated King County/South Issaquah to Maple Valley
<b>Industrial Land</b>	<b>Bellevue:</b> LI <b>Newcastle:</b> MU/I <b>Renton:</b> IH, IM, IL  <b>King County:</b> M, MP, I, IP		\$15-\$41/SF		\$24/SF \$10.50-\$17/SF	\$3.50-\$6.50/SF	\$9-\$10/SF	\$8/SF	\$0.30-\$8/SF
<b>Commercial Land</b>	<b>Mercer Island:</b> B, P, PBZ, CO, TC <b>Bellevue:</b> CB, F1, F2, F3, GC, NB, O, OLB, PO <b>Newcastle:</b> CB, MU, MU-R, O, PO <b>Renton:</b> CA, CC, CD, CN, CO, COR, CS <b>King County:</b> CB, NB, NBP, O, OP, OS <b>Kent:</b> CC-MU	\$12-\$112/SF	\$22-\$54/SF	\$26-\$57/SF	\$14-\$42/SF \$12-\$45/SF	\$16-\$20/SF	\$10-\$23.50/SF	\$11-\$38/SF \$12.50-\$18/SF	\$7-\$20/SF
<b>Multi-Family Land</b>	<b>Mercer Island:</b> MF-2L, MF-2, MF-3 <b>Bellevue:</b> R-10, R-15, R-20, R-30 <b>Newcastle:</b> R-12, R-18, R-24, R-48 <b>Issaquah:</b> MF-M, MF-H <b>Renton:</b> CV, R-14, RMH, RM-F, UC-N1, UC-N2 <b>King County:</b> R-12, R12P, R24, R18, R48 <b>Kent:</b> MHP, MR-G, MR-M, MR-H	\$55-\$77/SF	\$15-\$52/SF	\$12-\$32/SF	\$12-\$45/SF \$18-\$23/SF \$18-\$20 \$10-\$38/SF	\$3-\$21/SF	\$10-\$24/SF	\$5-\$18/SF \$5-\$14/SF	
<b>Residential Land</b>	<b>Mercer Island:</b> R-8.4, R-9.6, R-15 <b>Bellevue:</b> R-1, R-1.8, R-2.5, R-3.5, R-4, R-5, R-6, R-7.5, R-10 <b>Newcastle:</b> R-1, R-4, R-5, R-8, R-10 <b>Issaquah:</b> SF-E <b>Renton:</b> R1, R4, R5, R8, R10 <b>King County:</b> R1, R4, R6, R8, RA2.5, RA5, RA10 <b>Kent:</b> SR-1, SR-4.5, SR-6, SR-8	\$15-\$95/SF	\$5.50-\$62/SF	\$7.50-\$34/SF	\$5.50-\$45/SF \$1-\$45/SF \$1-\$45/SF	\$7.75-\$21/SF	\$4.75-\$20/SF	\$3-\$21/SF \$2.50-\$12/SF	\$1-\$15.50/SF

**Please note that this table is a summary of “typical” land values and is therefore not all inclusive.**

## **Zoning Descriptions within Area 75:**

### **City of Mercer Island:**

#### **Commercial/Industrial Zoning**

- B Business
- C-O Commercial Offices
- PBZ Planned Business
- TC Town Center

#### **Multi-Family Zoning**

- MF-2 Multi-Family, Allowed density 38 units per acre
- MF-2L Multi-Family Limited, Allowed density 26 units per acre
- MF-3 Multi-Family, Allowed density 26 units per acre

#### **Residential Zoning**

- R-8.4 Single Family, minimum lot size of 8,400SF
- R-9.6 Single Family, minimum lot size of 9,600SF
- R-12 Single Family, minimum lot size of 12,000SF
- R-15 Single Family, minimum lot size of 15,000SF

### **City of Bellevue:**

#### **Commercial/Industrial Zoning**

- CB Community Business District
- F1 Factoria Land Use District 1- mixed-use residential and regional retail center
- F2 Factoria Land Use District 2- intensive office, movie theater, and service uses
- F3 Factoria Land Use District 3- highly intensive office use in an integrated complex
- GC General Commercial District
- LI Light Industrial District
- NB Neighborhood Business District
- O Office District
- OLB Office and Limited Business District
- PO Professional Office District

#### **Multi-Family Zoning**

- R-10 Multi-family Residential- 10 units per acre
- R-15 Multi-family Residential- 15 units per acre
- R-20 Multi-family Residential- 20 units per acre
- R-30 Multi-family Residential- 30 units per acre

#### **Residential Zoning**

- R-1 Single Family Residential Estate- 1 dwelling per acre
- R-1.8 Single Family Residential Estate District- 1.8 dwelling units per acre
- R-2.5 Single Family Residential- 2.5 dwellings per acre
- R-3.5 Single Family Residential- 3.5 dwellings per acre
- R-4 Single Family Residential- 4 dwellings per acre
- R-5 Single Family Residential- 5 dwellings per acre
- R-7.5 Single Family Residential- 7.5 dwellings per acre

**City of Newcastle:**

**Commercial/Industrial Zoning**

CB Community Business  
CBC Community Business Center  
LOS Limited Open Space  
MU Mixed Use  
MU/I Mixed Use/Industrial  
MU-C Mixed Use Commercial  
MU-R Mixed Use Residential  
NB Neighborhood Business  
O Office

**Multi-Family Zoning**

R-12 Multi-Family, 12 dwelling units per acre  
R-18 Multi-Family, 18 dwelling units per acre  
R-24 Multi-Family, 24 dwelling units per acre  
R-48 Multi-Family, 48 dwelling units per acre

**Residential Zoning**

R-1 Single Family, 1 dwelling unit per acre  
R-4 Single Family, 4 dwelling units per acre  
R-6 Single Family, 6 dwelling units per acre  
R-8 Single Family, 8 dwelling units per acre

**City of Renton:**

**Commercial/Industrial Zoning**

CA Commercial Arterial  
CD Center Downtown  
CN Commercial Neighborhood  
CO Commercial Office  
COR Commercial/Office/Residential  
CV Center Village  
IH Industrial Heavy  
IL Industrial Light  
IM Industrial Medium  
UC-N1 Urban Center North 1  
UC-N2 Urban Center North 2

**Multi-Family Zoning**

RM-F Residential Multi-Family  
RMH Residential Manufactured Homes

**Residential Zoning**

R-1 Residential 1 dwelling unit per acre  
R-4 Residential 4 dwelling units per acre  
R-8 Residential 8 dwelling units per acre

- R-10 Residential 10 dwelling units per acre
- R-14 Residential 14 dwelling units per acre
- RC Resource Conservation

**City of Kent:**

**Commercial/Mixed Use Zoning**

- CC-MU Community Commercial-Mixed Use Development

**Multi-Family Zoning**

- MHP Mobile Home Park Combining District
- MR-G Low Density Multi-family Residential District
- MR-H High Density Multi-family Residential District
- MR-M Medium Density Multi-family Residential District

**Residential Zoning**

- SR-1 Residential Agricultural District
- SR-6 Single Family Residential District

**City of Issaquah:**

**Multi-Family Zoning**

- MF-H Multi-family High Density Residential– 29 dwelling units per acre
- MF-M Multi-family Medium Density Residential– 14.52 dwelling units per acre

**Residential Zoning**

- SF-E Suburban Estates – 1.24 dwelling unit per acre

**Unincorporated King County:**

**Commercial/Industrial Zoning**

- CB Community Business
- I Industrial
- M Mineral
- NB Neighborhood Business
- O Office

**Multi-Family Zoning**

- R12 Residential 12 dwelling units per acre
- R18 Residential 18 dwelling units per acre
- R24 Residential 24 dwelling units per acre
- R48 Residential 48 dwelling units per acre

**Residential Zoning**

- RA2.5 Rural Area, 2.5 acre minimum lot size
- RA5 Rural Area, 5 acre minimum lot size
- RA10 Rural Area, 10 acre minimum lot size
- R1 Residential 1 dwelling unit per acre
- R4 Residential 4 dwelling units per acre
- R6 Residential 6 dwelling units per acre

## **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.

**Appraisal (Assessment) Level:** Estimates of appraisal level are based on measures of central tendency. The weighted mean ratio is the value-weighted average of the arithmetic mean and median ratios in which the weights are proportional to the sales prices. The weighted mean also is the ratio of the total assessed value to the total sales price value. The weighted mean gives equal weight to each dollar of value in the sample, whereas the median and mean give equal weight to each parcel. The weighted mean is an important statistic in its own right and also used in computing the price related differential (PRD), a measure of uniformity between high- and low-value properties.

The IAAO performance standards state that the weighted mean ratio should be between 0.90 and 1.10. The preliminary ratio study for Area 75 shows a weighted mean ratio of 0.882 which is below the IAAO guidelines, indicating that the previous assessment level, as measured using recent sales, is below the acceptable range.

**Appraisal (Assessment) Uniformity:** Measures of dispersion or variability relate to the uniformity of the ratios. The most generally useful measure of uniformity is the Coefficient of Dispersion (COD). The COD measures the average percentage deviation of the ratios from the median ratio.

The IAAO performance standards state that the COD should be between 5.0 and 20.0 for income producing property in smaller, rural jurisdictions and between 5.0 and 15.0 for larger, urban market jurisdictions. The preliminary ratio study for Area 75 shows a COD of 22.35%, which exceeds the IAAO guidelines.

A second measure of uniformity utilized in the ratio study is the Price Related Differential (PRD). The PRD provides a measure of price related bias, or the equity between low and high priced property. The IAAO performance standards state that the PRD should fall between 0.98 and 1.03. A value below 0.98 would indicate progressivity in the data where assessment levels increase with increasing sales prices. Values above 1.03 indicate regressivity in the data where assessment level decreases with increases in sales price. The preliminary ratio study for Area 75 shows a PRD of 1.07 which is above the IAAO guidelines, giving an indication that the current level of assessment uniformity as measured using recent sales was outside the acceptable range.

The results of the preliminary ratio study shows that both the assessment level and assessment uniformity fall outside of the IAAO standards. These results are significant particularly when

adequate sales of a specific property type such as office or medical/dental office, existed. For most other income producing property types the sales sample was insufficient to draw direct conclusions, but the sales can be used as a test for the income model.

The study included sales of improved parcels and benchmarks the current assessment level using 2017 posted values. This study revealed the assessment uniformity needed improvement as the COV and COD were outside of the IAAO standards. The assessment level of 88.2% weighted mean ratio is below the recommended standards. And the high PRD indicates assessment regressivity; meaning the low-value properties are over appraised relative to high-value properties. These statistics suggest that a revaluation is necessary to achieve a better assessment level and uniformity of property values.

Recommended IAAO Standards on Ratio Studies	
Appraisal Level	0.90 to 1.10
Coefficient of Dispersion	5.0 to 20.0
Price Related Differential	0.98 to 1.03

## Improved Parcel Total Values

### Sales Comparison Approach Model Description

When sufficient sales are present, the sales approach is the most reliable of the three approaches to valuation. The sales comparison approach reflects the principles of supply and demand, balance, externalities, and substitution.

Seventy-eight commercial improved sales occurred from January 2015 through December 2017 and were considered in the evaluation of Area 75's improved properties. Seven of these sales are not included in the ratio report due to a variety of reasons including: Imp characteristics changed since sale; segregation or merger; change of use; and net lease sale. When necessary, sales of similar property types from other market areas were considered.

The sales were obtained from Excise Tax Records, and verified with property owners, Costar, Brokers and Agents. These sales were organized by market segments based on predominant use. Based on sales analysis, each segment reflected a market price per square foot of net rentable area.

The sales price ranges helped establish a general upper and lower market boundary for the various property types within each subject area. The model for sales comparison was based on the following characteristics from the Assessor's records: commercial use, building section uses, neighborhood, effective year built, quality of construction, and net rentable area of the improvement. The search for comparable sales was expanded to include the surrounding competing neighborhoods within the geographic area, location was also a considered. Properties were grouped with data that most resembled each other to equalize values within each predominant property use type. The sales are organized into market segments based on predominant use and each segment reflected a market price per square foot of net rentable area. Note that time

adjustments were not made due to lack of ample sales activity needed in order to make a meaningful time trend analysis.

There were several categories of properties in Area 75 where the sales comparison approach was used. Below is a list of property types where the sales comparison approach was the dominant valuation method used:

<b>Property Type</b>	<b>Market Sales Range</b>
<b>Mobile Home/RV Parks</b>	<b>\$39,000-\$75,000/Pad</b>
<b>Day Cares</b>	<b>\$200/SF-\$380/SF</b>
<b>Mini Lube Auto Centers</b>	<b>\$250/SF-\$460/SF</b>
<b>Small Offices (&lt;5,000sf)</b>	<b>\$150/SF-\$540/SF</b>

Property types typically valued by the Sales Approach are as follows:

- Mobile home parks (MHP) are valued on a per pad basis from \$40,000 to \$73,000 per pad. The breakdown is as follows: Single Wide from \$40,000 to \$60,000 per pad. Double Wide from \$50,000 to \$65,000 per pad, and Area 75 has no RV Park. The department has done a comprehensive survey of all the MHP's in King County and each received a quality rating, which is the basis for assessment. The class of the park varies with the unit mix (RVs, single wide, and double wide) amenities such as pools, club house, landscaping, views, sports courts, general upkeep, etc. Overall, sales support the previous year's Mobile Home Park values.
- Daycare centers have a value range from \$200/SF to \$300/SF. Generally, daycares, either owned or leased by a national chain (such as La Petite Academy, KinderCare, etc.) have higher construction quality and building condition. As a result these properties tend to be on the higher end of the range.
- Mini Lube / Service Garages are valued from \$300/sf up to \$390/sf depending on the quality of construction, effective year built, location, and building set-up. Those properties that are either owned or leased by a national chain such as Jiffy Lube have higher construction quality and better location. They are valued at the high end of the market.
- Small Office (less than 5,000sf) valued at \$135 to \$350 per square foot.

### **Sales Comparison Calibration**

Calibration of the coefficients utilized in the models applied via the sales comparison approach was established via an analysis of sales within each neighborhood. Neighborhoods were treated independent of one another as dictated by the market. Individual prices were applied based on various characteristics deemed appropriate by each market. Specific variables and prices for each neighborhood are discussed in more detail above.

## **Cost Approach Model Description**

Cost estimates are automatically calculated via the Marshall & Swift Valuation modeling system. Depreciation was based on studies done by Marshall & Swift Valuation Service. 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, very old buildings or unique buildings, 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**

Three basic models were developed for income capitalization; those being retail, office and warehouse. Income tables were developed and then applied to the population. The tables were derived from market surveys and studies and subsequently applied to property data. A majority of properties in this area were valued utilizing an income approach (Direct Capitalization method).

The valuation model includes the following steps:

1. The program multiplies the property's net rentable area by the market rent to derive potential gross income (PGI).
2. The program subtracts allowances for vacancy and operating expenses to derive net operating income (NOI).
3. The program capitalizes NOI (divides it by the overall rate) to produce the value estimate.

The Income Approach, using direct capitalization was considered a reliable approach to valuation throughout Area 75 for most improved property types since income and expense data was available to ascertain market rates.

**Income:** Income data was derived from the market place from landlords and tenants, market sales, as well as through published sources (i.e. officespace.com, Commercial Brokers Association, CoStar, and real estate websites such as CBRE, Colliers, Kidder Mathews, etc.), and opinions expressed by real estate professionals active in the market.

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

**Expenses:** Expense ratios were estimated based on industry standards, published sources, and the appraiser's knowledge of the area's rental practices. Within the income valuation models for Area 75, the assessor used triple net expenses for retail/mixed-use and industrial type uses. For office/medical buildings, the assessor used a combination of full service/gross expenses and triple net expenses depending on the type of rents used.

**Capitalization Rates:** When market sales are available an attempt is made to ascertain the capitalization rate on the sale or a pro-formal cap rate on the first year performance, during the

sales verification process. Also, capitalization rate data was collected from published market surveys, such as CoStar, 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, and they usually include rates for both the Seattle Metropolitan area and the nation.

The effective age and condition of each building contributes to the capitalization rate applied in the model. For example; a building in poorer condition with a lower effective year (1965, 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 recaps the rates as reported by the industry publications.

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
CBRE: U.S. Cap. Rate survey. Advance Review	H2 2017					CBRE professional’s opinion of where cap rates are likely to trend in the 2 <sup>nd</sup> ½ of 2017 based on recent trades as well as interactions with investors. Value-Add represents an underperforming property that has an occupancy level below the local average under typical market conditions.
		Seattle	4.25% - 4.75%	-	-	CBD – Class AA
			4.75% - 5.25%	-	-	CBD – Class A
			6.00% - 7.25%	-	-	CBD – Class A – Value Added
			5.50% - 6.50%	-	-	CBD – Class B
			6.75% - 7.75%	-	-	CBD – Class B – Value Added
			6.75% - 8.50%	-	-	CBD – Class C
			7.75% - 9.25%	-	-	CBD – Class C – Value Added
			5.25% - 5.75%	-	-	Suburban – Class AA
			6.00% - 6.50%	-	-	Suburban – Class A
			6.50% - 7.50%	-	-	Suburban – Class A – Value Added
			7.00% - 7.50%	-	-	Suburban – Class B
			7.50% - 8.50%	-	-	Suburban – Class B – Value Added
			7.50% - 8.25%	-	-	Suburban – Class C
			8.00% - 9.00%	-	-	Suburban – Class C – Value Added
			-	3.75% - 4.25%	-	Class A
			-	5.00% - 6.00%	-	Class A – Value Added
			-	4.50% - 5.25%	-	Class B
			-	5.75% - 7.00%	-	Class B – Value Added
			-	5.50% - 6.25%	-	Class C
			-	7.25% - 8.00%	-	Class C – Value Added
			-	-	4.50% - 5.50%	Class A (Neigh./Comm)
			-	-	5.50% - 7.00%	Class B (Neigh./Comm)
			-	-	7.25% - 9.00%	Class B (Neigh./Comm.) – Value-Add
			-	-	7.50% - 8.50%	Class C (Neigh./Comm)
			-	-	9.00% - 11.00%	Class C (Neigh./Comm.) – Value-Add
			-	-	5.50% - 6.00%	Class A (Power Centers)
			-	-	6.00% - 7.50%	Class B (Power Centers)
			-	-	7.00% - 8.50%	Class B (Power Centers) – Value-Add
			-	-	7.00% - 8.75%	Class C (Power Centers)
			-	-	7.50% - 10.00%	Class C (Power Centers) – Value-Add
			-	-	4.50% - 5.50%	High Street Retail (Urban Core)
IRR: Viewpoint for 2018	Year-end 2017	West Region	5.83%	-	-	<u>Institutional Grade Properties”</u>
			6.49%	-	-	CBD Office – Class A
			6.31%	-	-	CBD Office – Class B
			6.87%	-	-	Suburban Office – Class A
			-	-	-	Suburban Office – Class B
			-	6.57%	-	Flex Industrial
			-	5.89%	-	Industrial

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
			-	-	6.22%	Regional Mall
			-	-	6.16%	Community Retail
			-	-	6.30%	Neighborhood Retail
CoStar	Year-End 2017	Seattle Puget Sound	6.51% 6.80% 5.32% 8.50%	- - - - 5.97%	- - - - -	Building Size < 50,000 SF Building Size 50,000 SF – 249,000 SF Building Size 250,000 SF – 499,000 SF Building Size >500,000 SF
			-	6.35%	-	Building Size < 25,000 SF
			-	5.93%	-	Building Size 25,000 SF – 99,000 SF
			-	N/A	-	Building Size 100,000 SF – 249,000 SF
			-	-	-	Building Size >250,000 SF
			-	-	5.85%	Building Size < 25,000 SF
			-	-	6.10%	Building Size 25,000 SF – 99,000 SF
			-	-	N/A	Building Size 100,000 SF – 249,000 SF
			-	-	10.00%	Building Size > 250,000 SF

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2017					1 <sup>st</sup> Tier properties are defined as new or newer quality const. in prime to good location; 2 <sup>nd</sup> Tier properties are defined as aging, former 1 <sup>st</sup> tier in good to average locations; 3 <sup>rd</sup> Tier are defined as older properties w/ functional inadequacies and/or marginal locations.
		Seattle	5.50% 6.00%	- -	- -	Office CBD – 1 <sup>st</sup> Tier Properties Suburban Office – 1 <sup>st</sup> Tier Properties
			-	5.30%	-	Warehouse – 1 <sup>st</sup> Tier Properties
			-	5.90%	-	R&D – 1 <sup>st</sup> Tier Properties
			-	5.80%	-	Flex – 1 <sup>st</sup> Tier Properties
			-	-	5.90%	Regional Mall – 1 <sup>st</sup> Tier Properties
			-	-	6.00%	Power Center – 1 <sup>st</sup> Tier Properties
			-	-	5.90%	Neigh/Comm. Ctrs. – 1 <sup>st</sup> Tier Properties
		West Region	5.00% - 8.00%	-	-	Office CBD – 1 <sup>st</sup> Tier Properties
			5.30% - 9.50%	-	-	Office CBD – 2 <sup>nd</sup> Tier Properties
			5.50% - 8.30%	-	-	Office CBD – 3 <sup>rd</sup> Tier Properties
			4.50% - 8.50%	-	-	Suburban Office – 1 <sup>st</sup> Tier Properties
			5.30% - 8.80%	-	-	Suburban Office – 2 <sup>nd</sup> Tier Properties
			5.50% - 9.00%	-	-	Suburban Office – 3 <sup>rd</sup> Tier Properties
			-	4.00% - 8.00%	-	Warehouse – 1 <sup>st</sup> Tier Properties
			-	5.30% - 8.50%	-	Warehouse – 2 <sup>nd</sup> Tier Properties
			-	5.50% - 9.00%	-	Warehouse – 3 <sup>rd</sup> Tier Properties
			-	5.00% - 9.00%	-	R&D – 1 <sup>st</sup> Tier Properties
			-	5.30% - 8.50%	-	R&D – 2 <sup>nd</sup> Tier Properties
			-	6.10% - 9.10%	-	R&D – 3 <sup>rd</sup> Tier Properties
			-	5.00% - 7.50%	-	Flex – 1 <sup>st</sup> Tier Properties
			-	5.30% - 8.50%	-	Flex – 2 <sup>nd</sup> Tier Properties
			-	6.10% - 9.00%	-	Flex – 3 <sup>rd</sup> Tier Properties
			-	-	5.00% - 8.50%	Regional Mall – 1 <sup>st</sup> Tier Properties
			-	-	6.00% - 8.80%	Regional Mall – 2 <sup>nd</sup> Tier Properties
			-	-	5.80% - 9.00%	Regional Mall – 3 <sup>rd</sup> Tier Properties
			-	-	5.00% - 8.00%	Power Center – 1 <sup>st</sup> Tier Properties
			-	-	5.80% - 8.50%	Power Center – 2 <sup>nd</sup> Tier Properties
			-	-	6.00% - 9.50%	Power Center – 3 <sup>rd</sup> Tier Properties
			-	-	4.50% - 7.50%	Neigh/Comm. Ctr. – 1 <sup>st</sup> Tier Properties
			-	-	5.30% - 8.50%	Neigh/Comm. Ctr. – 2 <sup>nd</sup> Tier Properties
			-	-	6.00% - 9.00%	Neigh/Comm. Ctr. – 3 <sup>rd</sup> Tier Properties

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
PWC / Korpaz Real Estate Investment Survey	4Q 2017	Seattle	4.25% - 8.00%	-	-	CBD Office
		Pacific NW Region	4.25% - 8.00%	-	-	Office
			-	3.75% - 7.00%	-	Warehouse
ACLI	4Q 2017	Seattle – Bellevue - Everett MSA	N/A	N/A	6.61%	All Classes
		Pacific Region	5.67%	5.54%	6.19%	All Classes

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Multifamily	Hospitality	Remarks	
CBRE: U.S. Cap. Rate survey. Advance Review	H2 2017	Seattle	4.25% - 4.75%	-	Infill – Class A	
			4.50% - 5.00%	-	Infill – Class A – Value Added	
			4.75% - 5.25%	-	Infill – Class B	
			5.00% - 5.50%	-	Infill – Class B – Value Added	
			5.50% - 6.00%	-	Infill – Class C	
			5.25% - 6.00%	-	Infill – Class C – Value Added	
			4.75% - 5.00%	-	Suburban – Class A	
			4.75% - 5.25%	-	Suburban – Class A – Value Added	
			5.00% - 5.25%	-	Suburban – Class B	
			5.25% - 5.50%	-	Suburban – Class B – Value Added	
			5.75% - 6.25%	-	Suburban – Class C	
			5.75% - 6.25%	-	Suburban – Class C – Value Added	
			-	6.00% - 6.50%	CBD – Luxury	
			-	6.25% - 6.75%	CBD – Full-Service	
			-	6.75% - 7.25%	CBD – Select-Service	
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 <sup>st</sup> Tier Properties	
		West Region	4.10% - 7.50%	-	Apartments – 2 <sup>nd</sup> Tier Properties	
			4.20% - 7.80%	-	Apartments – 3 <sup>rd</sup> Tier Properties	
			-	6.00% - 8.50%	Hotels – 1 <sup>st</sup> Tier Properties	
			-	6.50% - 9.00%	Hotels – 2 <sup>nd</sup> Tier Properties	
-	7.00% - 10.00%	Hotels – 3 <sup>rd</sup> 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	

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

The previous tables demonstrate ranges of capitalization rates and trends that are compiled with information and collected on a broad regional scale. This information is reconciled with data specific to the real estate market in Area 75 to develop the income model. The range of capitalization rates in the income model for Area 75 reflects the variety of properties in this area.

### **Income Approach Calibration**

Income tables were developed for each of the eight neighborhoods that comprise Area 75. The tables pertain to the following property types: Retail, Industrial Engineering Buildings, Warehouse Storage, Warehouse Office, Warehouse Distribution, Medical and Dental Offices, Discount Stores, Storage Garage, Basement Finish, Restaurant, and Office, in addition to an exclusion table indicating property uses not covered by an income table. 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 year built. 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 75 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.

The table on the following pages summarizes the income valuation model for each neighborhood in Area 75:

<b>Typical Income Model Parameters:</b>					
<b>Area 75-10 Mercer Island</b>					
<b>Property Type</b>	<b>Rent/SF Range</b>	<b>Vacancy Collection Loss</b>	<b>Rate/</b>	<b>Expense Rate- % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$14 - \$33	5 %		10%	6.25% - 7.75%
Retail/Mixed Use	\$22.50 - \$31	5%		10%	6% - 7.25%
Industrial/Warehouse	\$6.75 - \$19	6%		10%	6.5% - 7.25%
<b>Area 75-20 South Bellevue/Factoria/I-90 Corridor</b>					
<b>Property Type</b>	<b>Rent/SF Range</b>	<b>Vacancy Collection Loss</b>	<b>Rate/</b>	<b>Expense Rate- % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$10 - \$34	5 - 10%		10%	6% - 7.25%
Retail/Mixed Use	\$20 - \$28	5%		10%	6.25% - 7%
Industrial/Warehouse	\$11 - \$19	7%		10%	6.5% - 7.5%
<b>Area 75-35 East Bellevue/Lake Hills to Crossroads</b>					
<b>Property Type</b>	<b>Rent/SF Range</b>	<b>Vacancy Collection Loss</b>	<b>Rate/</b>	<b>Expense Rate- % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$12 - \$33	5 %		10%	6% - 7%
Retail/Mixed Use	\$19 - \$25	5%		10%	6.25% to 7%
Industrial/Warehouse	\$6 - \$7.75	5%		10%	6.25% to 7.25%
<b>Area 75-40 Newcastle/Newport Hills/Kennydale/North Renton/Landing</b>					
<b>Property Type</b>	<b>Rent/SF Range</b>	<b>Vacancy Collection Loss</b>	<b>Rate/</b>	<b>Expense Rate- % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$10 - \$28	5 - 7%		10%	6 -7.25%
Retail/Mixed Use	\$11 - \$24.50	5%		10%	6.5-7.25%
Industrial/Warehouse	\$4.30 - \$12.75	3-4%		10%	5.5 - 6.25%
<b>Area 75-50 Bryn Mawr - Skyway</b>					
<b>Property Type</b>	<b>Rent/SF Range</b>	<b>Vacancy Collection Loss</b>	<b>Rate/</b>	<b>Expense Rate- % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$8 - \$15	10%		7.5-10%	6.75 – 7.5%
Retail/Mixed Use	\$8 - \$11.50	7%		10%	6.5 – 7.25%
Industrial/Warehouse	\$3.50 - \$8	8%		7.5%	7 - 7.5%
<b>Area 75-60 Renton Highlands</b>					
<b>Property Type</b>	<b>Rent/SF Range</b>	<b>Vacancy Collection Loss</b>	<b>Rate/</b>	<b>Expense Rate- % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$10 - \$22	5-7%		10%	6.25 - 7.5%
Retail/Mixed Use	\$10 - \$24	5%		10%	6.5 – 7.25%
Industrial/Warehouse	\$5.50 - \$12	5%		10%	6 - 6.5%
<b>Area 75-65 Benson Hill/Fairwood/Panther Lake/Cedar Valley</b>					
<b>Property Type</b>	<b>Rent/SF Range</b>	<b>Vacancy Collection Loss</b>	<b>Rate/</b>	<b>Expense Rate- % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$5 - \$28	5-7%		10%	6.25-7.5%
Retail/Mixed Use	\$8 - \$21.75	5%		10%	6.5–7.25%
Industrial/Warehouse	\$5.50 - \$12.5	4-7%		10%	6-6.75%
<b>Area 75-70 Cedar Basin and May Valley</b>					
<b>Property Type</b>	<b>Rent/SF Range</b>	<b>Vacancy Collection Loss</b>	<b>Rate/</b>	<b>Expense Rate- % of EGI</b>	<b>Capitalization Rate</b>
Office/Medical Office	\$8.50-\$19	7%		10%	6.25-7.25%
Retail/Mixed Use	\$16-\$24	5-7%		10%	6.5–7.25%
Industrial/Warehouse	\$6.25 - \$8.25	7%		10%	6.75-7.5%

Overall, the rents were adjusted slightly upwards, vacancies were adjusted slightly downwards, expenses are the same, and the capitalization rates for the most part were adjusted slightly downwards in all neighborhoods.

### **Reconciliation**

The Appraiser made a review of the appropriateness of the application of the valuation models before final value was selected for each parcel. All of the factors used to establish value by the model were subject to adjustment. The market sales approach is considered the most reliable indicator of value when 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 sales along with data from surveys and publications. Those parameters were applied to the income model. The income approach to value was considered to be a reliable indicator of value in most instances. Market rents may vary based on location, age of the property, property type, and other factors specific or unique to a property. 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, super-adequacy, or physical/functional obsolescence.

Each appraiser can adjust any or all of the factors used to establish value by the model. The Appraiser made the determination of value based on the Appraiser’s judgment of the appropriateness of the method for each property. For quality control purposes an administrative review of the selected values was made by Marie Ramirez, Senior Appraiser.

## **Model Validation**

### **Total Value Conclusions, Recommendations and Validation**

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

<b>Area 75</b>	<b>2017 Ratios</b>	<b>2018 Ratios</b>	<b>Change</b>	<b>% Change</b>
Assessment Level of Sales	88.2%	94.5%	6.3	7.14%
Coefficient of Dispersion	22.35%	11.72%	-10.63	-47.56%
Coefficient of Variation	49.60%	15.54%	-34.06	-68.67%
Price Related Differential	1.07	1.03	-0.04	-3.74%

The standard statistical measures of valuation performance are presented in both the 2017 and 2018 Ratio Analysis charts included in this report. Comparison (see table above) of the 2017 with the 2018 Ratio Study Analysis indicates that the 2018 assessments statistical ratios are all within the IAAO (International Association of Assessing Officers) appraisal guidelines for measures of

valuation uniformity and equity. However, with a sample size of only 71 improved sales for many different commercial types, the weight given to the ratio study should be tempered.

In the 2018 valuation model, the income approach is used to value the majority of the income producing properties that aren't obsolesced (land value is greater than total value by the income method). The income approach also insures greater uniformity and equalization of values. With improving market fundamentals, Area 75 values by the income method are generally increasing although they sometimes are below the value of the sales. This may be because some of these properties are purchased by owner-users, or in the case of interim use properties they might be purchased for investment value or anticipated future income rather than current income.

The 2018 Assessment year revalue of Area 75 is based on commercial real estate data available in 2017 and early 2018 that support the fee simple value of the non-specialty properties in these submarkets as of the valuation date of 1/01/2018. This valuation has occurred in a period of steady market expansion following the severe global, national, and regional economic downturn which had impacted local supply and demand dynamics.

A review of market income data for the 1/01/2018 valuation indicates continued strong income fundamentals for Seattle and King County. Costar reports vacancy rates have continued to trend down for retail properties ending 2017 at 3.5% for the Seattle/Puget Sound Area. However, Office properties have had a slight increase to vacancy rates, rising to 7.6% at the end of 2017. Finally, Industrial vacancy rates have also dropped, ending 2017 at 3.0%. CBRE reports that Industrial, Office and Retail sectors all saw a slight decreases to their Cap Rates. Lease rates saw slight increases in suburban neighborhoods while urban areas have seen sizeable increases on almost all types of properties.

The 2017 real estate market year saw a trend of stable land sales in comparison to the previous year. Some of these properties were purchased by investors for multi-family development in Newcastle, Bryn Mawr – Skyway and the Renton – Highlands and Benson Hill areas; however several land sales may be for residential, office and retail development sites. These land sales support an increase in the assessed land values for most of the zoning designations in the 2017 revalue and an overall land value increase of 6.85% (all land parcels in area 75 excluding government owned properties).

The recommended values represent the appraiser's best estimate of appropriate assessed values as of the assessment date. Any subsequent sales after the date of this report may not validate or invalidate these value estimates because the market has and will continue to change after the assessment date.

Application of these recommended values for the 2018 assessment year results in a total percentage change from the 2017 assessments of 5.81%. The market sales show increasing trend. Since the values recommended in this report improve uniformity and assessment equity, we recommend posting these values for the 2018 Assessment Year.

<b>Total Population - Parcel Summary Data:</b>				
<b>Area 75</b>	<b>2017 Value</b>	<b>2018 Value</b>	<b>Difference</b>	<b>Percent Change</b>
<b>Total Population</b>	\$7,742,777,100	\$8,192,288,500	\$449,511,400	5.81%

# USPAP Compliance

## Client and Intended Use of the Appraisal

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

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

## Definition and Date of Value Estimate

### Market Value

The basis of all assessments is the true and fair value of property. True and fair value means market value (Spokane etc. R. Company v. Spokane County, 75 Wash. 72 (1913); Mason County Overtaxed, Inc. v. Mason County, 62 Wn. 2d (1963); AGO 57-58, No. 2, 1/8/57; AGO 65-66, No. 65, 12/31/65). The true and fair value of a property in money for property tax valuation purposes is its "market value" or amount of money a buyer willing but not obligated to buy would pay for it to a seller willing but not obligated to sell. In arriving at a determination of such value, the assessing officer can consider only those factors which can within reason be said to affect the price in negotiations between a willing purchaser and a willing seller, and he must consider all of such factors. (AGO 65,66, No. 65, 12/31/65)

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, 3<sup>rd</sup> Addition, Appraisal Institute.**

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

## **Assumptions and Limiting Conditions**

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

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

### **Scope of Work Performed**

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

### **Certification**

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

- The statements of fact contained in this report are true and correct
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.

- My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.
- The individuals listed below were part of the “appraisal team” and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser or in any other capacity is listed adjacent their name.
- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed below:

Physical inspection revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification and new construction evaluation.

# Area 75 Ratio Study Report

## PRE-REVALUE RATIO ANALYSIS

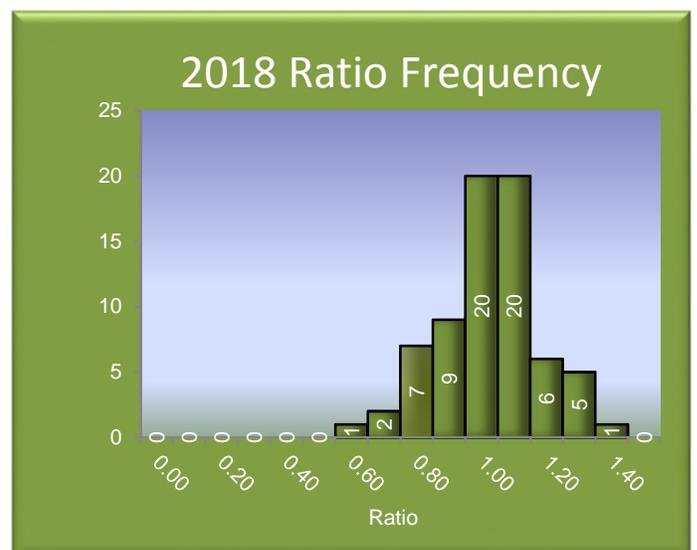
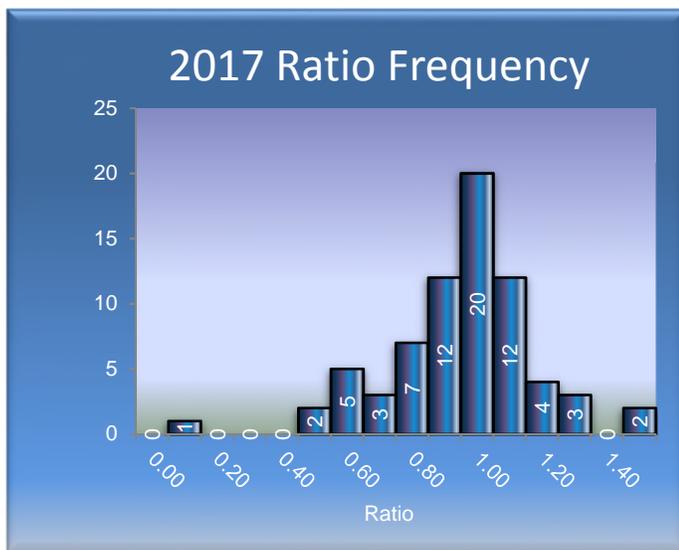
Pre-revalue ratio analysis compares sales from 2015 through 2017 in relation to the previous assessed value as of 1/1/2017.

PRE-REVALUE RATIO SAMPLE STATISTICS	
<b>Sample size (n)</b>	71
<b>Mean Assessed Value</b>	2,680,200
<b>Mean Adj. Sales Price</b>	3,037,100
<b>Standard Deviation AV</b>	4,105,438
<b>Standard Deviation SP</b>	4,482,257
ASSESSMENT LEVEL	
<b>Arithmetic Mean Ratio</b>	0.940
<b>Median Ratio</b>	0.921
<b>Weighted Mean Ratio</b>	0.882
UNIFORMITY	
<b>Lowest ratio</b>	0.0373
<b>Highest ratio:</b>	4.2818
<b>Coefficient of Dispersion</b>	22.35%
<b>Standard Deviation</b>	0.4664
<b>Coefficient of Variation</b>	49.60%
<b>Price Related Differential (PRD)</b>	1.07

## 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	
<b>Sample size (n)</b>	71
<b>Mean Assessed Value</b>	2,871,100
<b>Mean Sales Price</b>	3,037,100
<b>Standard Deviation AV</b>	4,315,845
<b>Standard Deviation SP</b>	4,482,257
ASSESSMENT LEVEL	
<b>Arithmetic Mean Ratio</b>	0.974
<b>Median Ratio</b>	0.976
<b>Weighted Mean Ratio</b>	0.945
UNIFORMITY	
<b>Lowest ratio</b>	0.5635
<b>Highest ratio:</b>	1.3125
<b>Coefficient of Dispersion</b>	11.72%
<b>Standard Deviation</b>	0.1513
<b>Coefficient of Variation</b>	15.54%
<b>Price Related Differential (PRD)</b>	1.03



## Improvement Sales for Area 075 with Sales Used

04/19/2018

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
075	010	531510	1316	7,036	2858886	\$4,950,000	04/14/17	\$703.52	MUD BAY & VELOCE VELO RETAIL	TC	1	Y	
075	010	531510	1325	3,527	2817530	\$2,400,000	08/23/16	\$680.46	SM OFFICE & RETAIL -Conv House	TC	1	34	Use-change after sale; not in ratio
075	010	545230	0310	11,994	2902800	\$4,800,000	11/07/17	\$400.20	CALEDONIAN BUILDING	TC	1	Y	
075	010	545230	0365	5,006	2715757	\$2,115,000	02/24/15	\$422.49	BOSSI JONES BLDG	TC	1	Y	
075	010	545230	0540	2,948	2813078	\$1,590,000	07/25/16	\$539.35	SKELTON BUILDING	TC	1	Y	
075	020	092405	9246	16,540	2800276	\$7,050,000	06/01/16	\$426.24	SWEDISH HEALTHCARE FACTORIA	CB	1	Y	
075	020	102405	9066	7,600	2821320	\$3,200,000	08/17/16	\$421.05	LINE RETAIL	OLB	2	Y	
075	020	102405	9084	34,719	2831465	\$13,250,000	10/31/16	\$381.64	EASTSIDE OFFICE BUILDING	OLB	1	Y	
075	020	102405	9098	40,697	2779420	\$19,700,000	02/09/16	\$484.07	CHESTNUT HILL ACADEMY SCHOC	LI	1	Y	
075	020	102405	9108	26,600	2749945	\$9,500,000	08/11/15	\$357.14	I-90 PARK PLAZA	OLB	1	Y	
075	020	102405	9123	63,351	2809766	\$17,400,000	07/13/16	\$274.66	DELPHI BLDG	OLB	1	Y	
075	020	102405	9132	21,086	2828896	\$7,000,000	10/19/16	\$331.97	14100 BUILDING	OLB	1	Y	
075	020	112405	9071	2,247	2799512	\$2,700,000	05/26/16	\$1,201.60	NAVRATIL CHIROPRACTIC CLINIC	CB	1	26	Imp changed after sale; not in ratio
075	020	112405	9079	21,200	2776231	\$8,238,000	01/08/16	\$388.58	EASTGATE CORPORATE CENTER	O	1	Y	
075	020	128360	0040	49,176	2738740	\$13,825,000	06/19/15	\$281.13	NCR CORPORATION	O	1	Y	
075	020	162405	9213	4,932	2767492	\$1,500,000	11/18/15	\$304.14	CIAN PLAZA	CB	1	69	Net Lease Sale; not in ratio
075	020	162405	9249	9,440	2838698	\$2,895,611	12/01/16	\$306.74	OFFICE BUILDING	CB	1	26	Imp changed after sale; not in ratio
075	020	192406	9097	34,048	2895460	\$3,850,000	10/13/16	\$113.08	COUGAR MTN ACADEMY/ISSAQUA	SF-E	1	Y	
075	020	220550	0615	1,380	2738632	\$640,000	06/23/15	\$463.77	SFR in Office Zoning	O	1	29	Seg/merge after sale; not in ratio
075	020	232900	0030	67,408	2862780	\$20,000,000	05/04/17	\$296.70	Cabot Plaza Office Building	OLB	1	Y	
075	020	517630	0028	0	2721437	\$2,550,000	03/12/15	\$0.00	Sanctuary of Praise-LAND	R-5	6	Y	
075	020	545330	0167	29,260	2747369	\$5,947,695	08/03/15	\$203.27	CCS PRINTING	LI	1	Y	
075	020	545330	0311	14,000	2757720	\$1,900,000	09/23/15	\$135.71	Western Integrated Technologies	LI	1	Y	
075	035	331650	0350	2,368	2867718	\$950,000	05/24/17	\$401.18	Unity of Bellevue-Residence	R-1.8	1	Y	
075	035	342505	9103	7,573	2849125	\$2,450,000	02/17/17	\$323.52	OFFICE APT	O	1	Y	
075	035	342505	9246	3,582	2790425	\$1,000,000	04/13/16	\$279.17	BELLEVUE VETERINARY HOSPITAL	O	1	Y	
075	035	352505	9016	2,100	2843913	\$1,597,000	01/09/17	\$760.48	76/CIRCLE K	CB	1	Y	
075	035	737980	0010	7,619	2842149	\$3,000,000	12/20/16	\$393.75	ROBINSWOOD PROFESSIONAL CE	PO	1	Y	
075	035	737980	0020	7,619	2843574	\$3,000,000	12/20/16	\$393.75	Robinswood Professional Center	PO	1	Y	
075	035	883990	0040	6,400	2739817	\$3,300,000	06/24/15	\$515.63	YI PIN RESTAURANT	CB	1	Y	
075	040	082305	9129	2,163	2889585	\$687,500	09/13/17	\$317.85	Retail Building	CA	1	Y	
075	040	135230	1245	1,425	2779074	\$494,000	02/02/16	\$346.67	FRIEDEL'S AUTOMOTIVE	CA	1	Y	
075	040	135230	1285	2,670	2881478	\$610,000	08/02/17	\$228.46	Farmers Insurance	CA	1	Y	
075	040	172305	9094	3,690	2731489	\$417,000	05/13/15	\$113.01	Reflexology Health Center	CA	1	Y	
075	040	282405	9144	16,055	2816533	\$6,880,270	08/17/16	\$428.54	Newcastle Professional Center	O	1	Y	
075	040	334210	0170	2,880	2843602	\$1,000,000	01/03/17	\$347.22	HAIR SALON & APT	CN	1	Y	
075	040	334210	3251	1,032	2715319	\$795,000	02/19/15	\$770.35	KENNYDALE REALTY	CN	1	Y	
075	040	334210	3257	960	2764383	\$366,000	10/22/15	\$381.25	OFFICE	CN	1	Y	
075	040	334210	3260	1,800	2851974	\$575,000	02/24/17	\$319.44	AUDIO VIDEO FOR HOME	CN	1	Y	
075	040	722400	0230	1,728	2742216	\$299,950	07/09/15	\$173.58	OFFICE BUILDING	R-10	1	Y	
075	040	722400	0470	2,321	2810820	\$340,000	07/22/16	\$146.49	LAW OFFICE (CONVERTED SFR)	CA	1	Y	

## Improvement Sales for Area 075 with Sales Used

04/19/2018

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
075	040	722400	0550	4,396	2808415	\$835,000	06/28/16	\$189.95	NORTHSIDE DENTAL CENTER	R-8	1	Y	
075	040	722400	0580	6,486	2739853	\$1,350,000	06/30/15	\$208.14	PARK AVENUE MARKET & COWGIF	CN	1	Y	
075	040	722400	0605	2,000	2875148	\$455,000	06/30/16	\$227.50	Ryan, Saffel & Assoc	CA	1	29	Seg/merge after sale; not in ratio
075	040	722400	0675	7,332	2854005	\$1,800,000	03/17/17	\$245.50	OFFICE BUILDING	CA	2	Y	
075	040	756510	0045	560	2717653	\$140,000	03/03/15	\$250.00	FIRST NAILS	CA	1	Y	
075	050	023100	0014	7,700	2899924	\$765,000	10/31/17	\$99.35	BERKSHIRE DENTAL ASSISTING S	CBSO	1	Y	
075	050	023100	0025	7,500	2868054	\$400,000	05/26/17	\$53.33	LIBRERIA CHRISTIANA	CBSO	1	Y	
075	050	023200	0053	2,100	2808966	\$325,000	06/30/16	\$154.76	OFFICE & APTS	CBSO	1	Y	
075	050	037200	0094	1,795	2711705	\$460,000	01/28/15	\$256.27	Lavoz Hispanic Newspaper	CB	1	Y	
075	050	122304	9043	10,544	2816930	\$1,100,050	08/17/16	\$104.33	SKYWAY UNITED METHODIST CHU	R48	1	Y	
075	050	377920	0241	1,080	2879640	\$420,000	07/14/17	\$388.89	STATEWIDE RENT-A-FENCE	I	1	Y	
075	050	396930	0215	3,360	2893580	\$400,000	10/02/17	\$119.05	SKYWAY AUTO PARTS	CBSO	1	Y	
075	050	413680	0140	4,030	2715738	\$600,000	02/09/15	\$148.88	RETAIL & APARTMENTS	CB	1	Y	
075	050	420240	1500	5,001	2767575	\$825,000	11/16/15	\$164.97	CHANG'S MONGOLIAN GRILL	CA	1	Y	
075	050	420440	0225	1,228	2885985	\$275,000	08/07/17	\$223.94	Precision Motors	CA	1	Y	
075	050	758020	0165	3,920	2900644	\$440,000	11/03/17	\$112.24	SKYWAY DENTAL	CBSO	1	Y	
075	050	758020	0435	0	2716566	\$186,000	02/26/15	\$0.00	VACANT SMALL OFFICE BUILDING	CBSO	2	Y	
075	060	032305	9028	2,360	2716825	\$1,795,000	03/02/15	\$760.59	FIR GROVE MHP (32 SPACES; SW/I	R-4	1	Y	
075	060	042305	9155	2,467	2895168	\$940,000	10/13/17	\$381.03	CAR WASH	CV	1	Y	
075	060	082305	9096	2,400	2836758	\$639,000	11/23/16	\$266.25	MIKES PLACE TAVERN	CN	1	Y	
075	060	082305	9111	12,741	2892786	\$3,500,000	09/26/17	\$274.70	Highlands Center MARKET & GAS	CN	2	Y	
075	060	092305	9176	794	2904332	\$3,250,000	12/04/17	\$4,093.20	MHP (49 SPACES; SW; GOOD LOC	CA	1	Y	
075	060	269030	0010	0	2839868	\$295,000	12/13/16	\$0.00	GALLOWAY TOWNHOMES CONDO	CA	1	Y	
075	060	269040	0070	0	2862764	\$274,150	05/01/17	\$0.00	GALLOWAY TOWNHOMES II	CA	1	Y	
075	060	516970	0129	2,370	2825914	\$350,000	09/28/16	\$147.68	OFFICE BUILDING (Converted SFR)	CA	1	Y	
075	060	722790	0016	3,890	2769263	\$665,999	11/23/15	\$171.21	OFFICE BUILDING	CV	1	Y	
075	065	202305	9097	6,556	2718747	\$900,000	03/10/15	\$137.28	EAGLE RIDGE PROFESSIONAL CEI	CA	1	Y	
075	065	247330	0020	3,738	2764687	\$540,000	10/27/15	\$144.46	3-PLEX and Office	O	1	Y	
075	065	272305	9051	0	2858618	\$2,737,800	04/12/17	\$0.00	Fairwood Golf and Country Club	R24	1	Y	
075	065	312305	9022	1,540	2878528	\$850,000	07/20/17	\$551.95	SFR TEARDOWN ON MULTIFAMIL	R-14	1	Y	
075	065	312305	9026	6,701	2806276	\$2,035,000	06/29/16	\$303.69	SPRINGBROOK PROFESSIONAL PA	CO	1	Y	
075	065	312305	9040	33,146	2906970	\$8,800,000	12/18/17	\$265.49	VALLEY MEDICAL & DENTAL	CO	2	Y	
075	065	312305	9103	13,406	2713626	\$2,400,000	02/12/15	\$179.02	MEDICAL OFFICE	CO	1	26	Imp changed after sale; not in ratio
075	065	322305	9201	2,100	2868544	\$690,000	05/31/17	\$328.57	PIZZA HUT AND PET GROOMING	CA	1	Y	
075	065	662340	0185	5,599	2776760	\$1,325,000	01/19/16	\$236.65	BENSON ROAD MEDICAL CENTER	CN	2	Y	
075	070	202306	9041	7,200	2744461	\$650,000	07/16/15	\$90.28	EVERGREEN COMMUNITY CHURC	RA5	2	Y	
075	070	302306	9019	3,830	2887252	\$448,750	08/29/17	\$117.17	HOME (ASSOC W/9027)	NB	2	Y	

Vacant Sales for Area 075 with Sales Used

04/19/2018

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
075	010	531510	0457	103,018	2749612	\$7,900,000	08/14/15	\$76.69	MERCER ISLAND CARE CENTER	MF-2	1	Y	
075	020	142405	9106	43,539	2737354	\$1,100,000	06/12/15	\$25.26	COUGAR RIDGE MONTESSORI SCHOOL/DAYCARE	R-5	1	Y	
075	020	162405	9032	52,780	2714859	\$1,450,000	02/13/15	\$27.47	VACANT MULTIFAMILY LAND (FACTORIA)	R-20	1	Y	
075	035	352505	9057	22,500	2741046	\$1,500,000	06/30/15	\$66.67	FUTURE KEY BANK KELSEY CREEK BRANCH	NB	1	Y	
075	040	182305	9264	47,081	2905736	\$1,250,000	12/05/17	\$26.55	Vacant Land	UC	1	Y	
075	040	272405	9006	2,331,280	2709354	\$25,000,000	01/09/15	\$10.72	Former NEWCASTLE BRICK PLANT	MU-R	3	Y	
075	040	342405	9118	38,978	2855146	\$400,000	03/20/17	\$10.26	NEWCASTLE ELEMENTARY SCHOOL	R-6	1	Y	
075	040	606125	0100	342,262	2845661	\$17,000,000	01/24/17	\$49.67	NEWCASTLE COMMONS	MU-R	4	29	Seg/merge after sale; not in ratio
075	040	722400	0620	4,616	2765546	\$447,015	11/06/15	\$96.84	RESIDENCE AND DOG GROOMING	CA	1	29	Seg/merge after sale; not in ratio
075	050	000140	0022	35,220	2721720	\$260,000	03/30/15	\$7.38	RON'S AUTO REBUILD	R24	1	Y	
075	050	018500	0015	58,730	2868094	\$1,200,000	05/25/17	\$20.43	VACANT MULTI-FAMILY	R24	2	Y	
075	050	023200	0010	9,400	2793234	\$80,000	04/27/16	\$8.51	VACANT	R24	1	Y	
075	050	112304	9095	119,388	2785312	\$740,000	03/17/16	\$6.20	VACANT	NB	3	Y	
075	050	142304	9006	78,843	2715036	\$420,000	02/19/15	\$5.33	VACANT LAND	R24	1	Y	
075	050	217200	0685	55,860	2846786	\$82,000	01/26/17	\$1.47	VACANT LAND	R24	1	Y	
075	050	322405	9010	249,600	2729307	\$785,000	04/28/15	\$3.15	VACANT LAND (WETLANDS & STREAM)	CA	1	Y	
075	050	768960	0975	87,300	2853468	\$350,500	03/14/17	\$4.01	VACANT LAND	R24	1	Y	
075	060	172305	9180	129,123	2890345	\$155,000	09/19/17	\$1.20	VACANT LAND	RM-F	3	Y	
075	060	311990	0005	38,910	2730434	\$275,000	05/12/15	\$7.07	Vacant Multifamily Land	RM-F	3	Y	
075	060	329540	0120	28,495	2839726	\$500,000	12/14/16	\$17.55	VACANT LAND (NEAR SUNET ON DUVALL)	CA	1	Y	
075	060	518210	0011	73,694	2915647	\$1,550,000	01/29/18	\$21.03	Teardown on Commercial Land	CA	3	Y	
075	060	518210	0012	73,694	2734115	\$945,000	05/19/15	\$12.82	SFR TEARDOWN CA ZONED LAND (WETLANDS)	CA	3	Y	
075	060	518210	0043	31,243	2732429	\$700,000	05/15/15	\$22.41	KEYBANK VACANT LAND	CA	1	Y	
075	060	722780	1780	18,292	2736372	\$347,548	06/02/15	\$19.00	VACANT LAND	CV	1	Y	
075	065	073900	0050	33,542	2876336	\$200,000	07/10/17	\$5.96	VACANT MULTIFAMILY LAND	RM-F	1	Y	
075	065	272305	9049	73,180	2738491	\$205,000	06/15/15	\$2.80	VACANT LAND (WETLAND & IMPACTED)	R18	1	Y	
075	065	292305	9009	164,828	2768843	\$1,430,000	11/23/15	\$8.68	VACANT LAND	RM-F	2	Y	
075	065	292305	9009	164,827	2860682	\$2,000,000	04/26/17	\$12.13	VACANT LAND	RM-F	1	Y	
075	065	292305	9017	60,669	2858655	\$1,250,000	04/14/17	\$20.60	KC FIRE DEPARTMENT HQ	CA	2	Y	
075	065	292305	9042	76,615	2716065	\$1,850,000	02/23/15	\$24.15	VACANT LAND plus Mobile Espresso Stand	CA	1	Y	
075	065	322305	9104	38,234	2797932	\$625,000	05/24/16	\$16.35	VACANT LAND	CA	1	Y	
075	065	662340	0170	89,465	2887870	\$1,627,766	08/13/17	\$18.19	W.E. RUTH REAL ESTATE	CC-MU	1	Y	
075	070	192306	9026	1,105,988	2808307	\$9,500,000	07/11/16	\$8.59	SUNSET MATERIALS	I	1	Y	
075	070	222306	9095	273,556	2788461	\$250,000	03/31/16	\$0.91	VACANT LAND (WETLAND)	NB	1	Y	

Improvement Sales for Area 075 with Sales not Used

04/19/2018

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
075	010	545230	0156	3,683	2726540	\$1,000,000	04/21/15	\$271.52	MERCER PARK PROF BLDG	MF-2	1	22	Partial interest (1/3, 1/2, etc.)
075	020	122405	9008	13,268	2840931	\$129,780	12/14/16	\$9.78	VASA PARK	R-5	1	24	Easement or right-of-way
075	020	162405	9301	9,628	2910975	\$5,280,000	01/12/18	\$548.40	FACTORIA DENTAL CENTER	CB	1		Sale occurred after the 1/1/18 Assesment date; not in ratio
075	020	545330	0146	20,100	2868128	\$28,000	05/15/17	\$1.39	A & M Auto Repair	LI	1	24	Easement or right-of-way
075	035	220720	0355	30,319	2911120	\$1,400	08/17/17	\$0.05	SAMENA CLUB	R-5	1	24	Easement or right-of-way
075	035	331650	0090	3,894	2922959	\$18,500	02/27/18	\$4.75	FIRST MUTUAL SAVINGS BANK	O	1	24	Easement or right-of-way
075	035	331650	0295	5,187	2882328	\$150,000	07/26/17	\$28.92	NEW HOPE MINISTRIES	R-1.8	1	33	Lease or lease-hold
075	035	883990	0036	3,488	2923407	\$67,000	03/28/18	\$19.21	SUPER SUPPLEMENTS	CB	1	24	Easement or right-of-way
075	040	082305	9087	2,400	2765821	\$159,000	10/26/15	\$66.25	7-11 STORE	CA	1	59	Bulk portfolio sale
075	040	082305	9087	2,400	2765822	\$263,000	10/26/15	\$109.58	7-11 STORE	CA	1	59	Bulk portfolio sale
075	040	722400	0045	11,007	2760804	\$599,800	10/09/15	\$54.49	RETAIL & RESIDENCES	CA	1	46	Non-representative sale
075	040	722400	0235	828	2898385	\$125,000	10/27/17	\$150.97	OFFICE BUILDING (SOUTH 1/2)	R-10	1	15	No market exposure
075	050	023200	0035	5,850	2818409	\$341,001	08/19/16	\$58.29	OFFICE & SHOP	CBSO	1	31	Exempt from excise tax
075	050	118000	2795	2,602	2922049	\$750,000	03/19/18	\$288.24	OFFICE/APARTMENT	CBP	1		Sale occurred after the 1/1/18 Assesment date; not in ratio
075	050	122304	9032	40,459	2839536	\$211,000	12/08/16	\$5.22	LUCKY DRAGONZ CASINO	CBSO	1	24	Easement or right-of-way
075	050	214480	0500	3,638	2916186	\$4,650,000	01/26/18	\$1,278.17	EARLINGTON GREENHOUSES	R-14	3		Sale occurred after the 1/1/18 Assesment date; not in ratio
075	050	758020	0275	9,729	2749280	\$1,499,900	08/13/15	\$154.17	SKYWAY BAPTIST CHURCH	R6P	2	17	Non-profit organization
075	060	092305	9110	7,027	2831111	\$323,684	09/12/16	\$46.06	4TH STREET PLAZA WEST	CA	1	51	Related party, friend, or neighbor
075	060	092305	9216	8,971	2912744	\$1,270,000	01/24/18	\$141.57	HUEBER MACHINE	CA	1		Sale occurred after the 1/1/18 Assesment date; not in ratio
075	060	102305	9068	1,390	2920323	\$400,000	03/08/18	\$287.77	SFR Teardown (Listed For Sale as Mi	CA	1		Sale occurred after the 1/1/18 Assesment date; not in ratio
075	060	102305	9068	1,390	2806841	\$274,000	06/16/16	\$197.12	SFR Teardown (Listed For Sale as Mi	CA	1	18	Quit claim deed
075	060	162305	9130	8,631	2901296	\$2,200,000	11/16/17	\$254.90	KC PUBLIC HEALTH CLINIC	CA	1	63	Sale price updated by sales id group
075	060	722780	1781	0	2856218	\$915,000	03/25/17	\$0.00	PARK	CV	1	63	Sale price updated by sales id group
075	065	232305	9044	1,780	2819346	\$1,733,700	08/29/16	\$973.99	ALPINE NURSERY INC	R-4	1	56	Builder or developer sales
075	065	232305	9044	4,310	2819570	\$5,400,000	08/29/16	\$1,252.90	ALPINE NURSERY INC	R-4	3	56	Builder or developer sales
075	065	272305	9033	1,751	2833759	\$4,950,000	11/14/16	\$2,826.96	ARCO AMPM	CB	1	11	Corporate affiliates
075	065	302305	9054	7,897	2884088	\$10	08/03/17	\$0.00	VALLEY INTERNAL MEDICINE ANNI	CO	1	31	Exempt from excise tax
075	065	302305	9054	7,897	2884087	\$10	08/03/17	\$0.00	VALLEY INTERNAL MEDICINE ANNI	CO	1	52	Statement to dor
075	065	302305	9054	7,897	2916367	\$1,420,000	02/23/18	\$179.82	VALLEY INTERNAL MEDICINE ANNI	CO	1		Sale occurred after the 1/1/18 Assesment date; not in ratio
075	065	312305	9040	33,146	2737846	\$5,050,000	06/15/15	\$152.36	VALLEY MEDICAL & DENTAL	CO	2	46	Non-representative sale
075	065	885767	0090	80,929	2821560	\$53,000,000	09/07/16	\$654.90	TALBOT PROFESSIONAL CENTER	CO	1	46	Non-representative sale
075	070	242305	9037	4,068	2913248	\$845,000	01/29/18	\$207.72	CEDAR RAPIDS MARKET	RA5	2		Sale occurred after the 1/1/18 Assesment date; not in ratio
075	070	252305	9028	8,655	2880199	\$615,000	07/26/17	\$71.06	RAINIER VALLEY CHRISTIAN SCHC	RA2.5SO	1	67	Gov't to non-gov't

Vacant Sales for Area 075 with Sales not Used

04/19/2018

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
075	020	545330	0150	126,555	2851336	\$51,000	02/09/17	\$0.40	VACANT LAND	LI	1		
075	035	352505	9061	393,782	2763543	\$150,000	10/23/15	\$0.38	VACANT LAND	R-10	1	51	Related party, friend, or neighbor
075	040	182305	9264	47,081	2847036	\$353,118	01/31/17	\$7.50	Vacant Land	UC	1		
075	050	122304	9177	183,192	2779128	\$5,280,000	02/01/16	\$28.82	VACANT RESIDENTIAL	R6P	1	65	Plans and permits
075	050	214480	0295	22,275	2912742	\$1,350,000	01/25/18	\$60.61	Vacant Multi Family	R-14	1		Sale occurred after the 1/1/18 assessment date
075	050	217200	0685	55,860	2920213	\$200,000	03/20/18	\$3.58	VACANT LAND	R24	1		Sale occurred after the 1/1/18 assessment date
075	060	102305	9095	83,429	2723697	\$215,000	04/08/15	\$2.58	VACANT-WETLAND	R-8	1	3	Contract or cash sale
075	060	162305	9103	62,861	2833769	\$1,525,000	11/09/16	\$24.26	VACANT LAND	CA	3	11	Corporate affiliates
075	060	311990	0005	38,910	2916900	\$1,350,000	02/23/18	\$34.70	Vacant Multifamily Land	RM-F	3		Sale occurred after the 1/1/18 assessment date
075	060	329540	0120	28,495	2825060	\$87,594	07/05/16	\$3.07	VACANT LAND (NEAR SUNET ON DUVALL)	CA	1	51	Related party, friend, or neighbor
075	060	518210	0016	54,737	2775970	\$1,225,000	01/08/16	\$22.38	Assoc parking for Les Schwab -0010	CA	2	11	Corporate affiliates
075	065	272305	9039	739,213	2798618	\$13,100	05/25/16	\$0.02	VACANT-WETLAND	R18SO	1	35	Open space designation continued/ok'
075	065	272305	9043	40,946	2910105	\$1,750,000	01/03/18	\$42.74	VACANT GAS STATION	CB	1		Sale occurred after the 1/1/18 assessment date
075	065	312305	9090	44,866	2844218	\$447,000	01/03/17	\$9.96	9 Duplexs	RM-F	1		

Major	Minor	PropName	AddrLine
008900	0010	DISCOUNT SHOPPING CENTER/VINCE'S PI	2809 SUNSET BLVD NE
032305	9011	SUNSET SQUARE	1314 UNION AVE NE
032305	9012	NORTHWESTY AUTO REPAIR	4111 SUNSET BLVD NE
032305	9024	ADVANCED DENTISTRY	4311 NE SUNSET BLVD
032305	9028	HONEY CREEK ESTATES MHP (32 SPACES)	5311 NE SUNSET BLVD
032305	9037	SUNSET AUTO CENTER	4209 NE SUNSET BLVD
032305	9044	KINDER CARE RENTON HIGHLANDS	1225 ANACORTES AVE NE
032305	9049	AMANTE PIZZA & PASTA	4201 NE SUNSET BLVD
032305	9133	CENTRAL WELDING SUPPLY	1200 UNION AVE NE
032305	9191	R & R RENTALS	4101 NE SUNSET BLVD
032305	9263	SUNSET SQUARE SHOPPING CENTER	1306 UNION AVE NE
032305	9264	SUNSET SQUARE (GOODYEAR TIRE CENTI	1320 UNION AVE NE
032305	9282	SUNSET HIGHLAND PROFESSIONAL BUILD	4444 NE SUNSET BLVD
032305	9283	CCI Building	1200 WHITMAN CT NE
042305	9048	JOHN MCKNIGHT JR HIGH SCHOOL	1416 EDMONDS AVE NE
042305	9061	Office Building (SFR Conversion)	1225 UNION AVE NE
042305	9063	VACANT	No Situs Address
042305	9067	VACANT LAND	No Situs Address
042305	9069	SIERRA HEIGHTS ELEM SCHOOL	2501 UNION AVE NE
042305	9080	SUNSET PLAZA	3160 SUNSET BLVD NE
042305	9095	RITE AID (RENTON HIGHLANDS)	3116 SUNSET BLVD NE
042305	9096	OFFICE	3155 NE SUNSET BLVD
042305	9099	VACANT LAND	No Situs Address
042305	9112	VAC LAND	1533 UNION AVE NE
042305	9127	LINE RETAIL	3217 NE SUNSET BLVD
042305	9145	SUNSET PET CLINIC	3241 NE SUNSET BLVD
042305	9153	SUNSET PLAZA	3208 SUNSET BLVD NE
042305	9155	CAR WASH	3123 SUNSET BLVD NE
042305	9169	American Legion	3224 NE 12TH ST
042305	9177	CHEVRON FOOD MART/CAR WASH	4044 NE SUNSET BLVD
042305	9181	HIGHLAND VETERINARY HOSPITAL	1409 UNION AVE NE
042305	9182	HIGHLANDS PROFESSIONAL BUILDING	3218 NE 12TH ST
042305	9186	RENTON WATER DEPT	No Situs Address
042305	9204	ACTIVE CHIROPRACTIC AND MASSAGE	3507 NE SUNSET BLVD
042305	9226	ADULT CARE FACILITY	1900 PIERCE AVE NE
042305	9237	FIRST UKRAINIAN PENTECOSTAL CHURCH	3811 NE 21ST ST
042305	9245	LINE RETAIL	4033 NE SUNSET BLVD
042305	9259	GROUP HOME	4001 NE 19TH ST
042305	9273	Office Building (SFR Conversion)	4018 NE 12TH ST
042305	9307	FIRST UKRANIAN CHURCH PARKING LOT	12921 SE 104TH ST
042305	9317	O'REILLY AUTO SUPPLY	3213 NE SUNSET BLVD
042305	9329	DALPAY CENTER LINE RETAIL	4047 NE SUNSET BLVD
042305	9342	VACANT LAND	No Situs Address
082305	9034	Vacant Multifamily Land	No Situs Address
082305	9096	MIKES PLACE TAVERN	1055 SUNSET BLVD NE
082305	9111	Highlands Center MARKET & GAS	11905 SUNSET BLVD NE

082305	9113	HILAND MARKET	EDMONDS AVE NE
082305	9133	VACANT COMMERCIAL LAND	NE 12TH ST
082305	9134	VACANT COMMERCIAL LAND	116TH AVE SE
082305	9137	VACANT LAND	11201 NE PARK DR
082305	9195	PUGET POWER HILAND STATION	611 NW 3RD ST
082305	9203	SANTA FE GRILL	1170 SUNSET BLVD NE
084710	0014	RENTON HILL PLAZA (LINE RETAIL)	5335 4TH ST
084710	0015	HOP IN GROCERY & DELI	5321 4TH ST
084710	0016	RENTON HILL PLAZA (RETAIL PRODUCE ST	5325 4TH ST
084710	0090	MAPLE HEIGHTS ELEMENTARY SCHOOL	130 JERICO AVE SE
092305	9015	PARK	901 UNION AVE NE
092305	9038	SMITHS CABINET SHOP	460 OLYMPIA AVE NE
092305	9050	FIRESTONE TIRES	421 UNION ST
092305	9057	CALVARY BAPTIST CHURCH PARKING	No Situs Address
092305	9058	COMMERCIAL LAND (TEAR DOWN)	No Situs Address
092305	9062	CHURCH OF CHRIST	2527 NE 12TH ST
092305	9080	Vacant Commercial Land	No Situs Address
092305	9086	CALVARY BAPTIST CHURCH	1024 EDMONDS AVE NE
092305	9102	CHURCH PARKING	No Situs Address
092305	9103	4TH STREET PLAZA	4004 4TH ST
092305	9110	4TH STREET PLAZA WEST	3904 NE 4TH ST
092305	9143	BAKERY W/RESIDENCE	440 OLYMPIA AVE NE
092305	9161	HEALING ARTS & WELLNESS RESEARCH C	1100 EDMONDS AVE NE
092305	9163	RENTON BIBLE CHURCH	973 UNION AVE NE
092305	9164	PUGET POWER SUBSTATION	500 132ND AVE SE
092305	9171	ROY BROWN AUTO SERVICE	414 MONROE AVE NE
092305	9172	AUTO PRO	3510 NE 4TH ST
092305	9175	BETHLEHEM LUTHERAN CHURCH	1022 MONROE AVE NE
092305	9176	MHP HILANDS MOB MANOR (49 SPACES; S'	3612 NE 4TH ST
092305	9177	CREATIVE WORKSPACE BUILDING	401 OLYMPIA AVE NE
092305	9197	WINDEMERE OFFICE	3800 NE 4TH ST
092305	9216	HUEBER MACHINE	400 OLYMPIA AVE NE
092305	9217	7-ELEVEN & LINE RETAIL	4020 NE 4TH ST
092305	9224	KENYON ELECTRIC	450 OLYMPIA AVE NE
092305	9231	RENTON DIAMOND PLAZA	3700 NE 4TH ST
092305	9233	HIGHLAND BIRD AND PET CLINIC	3770 NE 4TH ST
102305	9007	HONEY DEW SCHOOL	800 UNION AVE NE
102305	9012	HIGHLANDS PROFESSIONAL PLAZA	451 DUVALL AVE NE
102305	9054	VISION HOUSE VACANT LAND	No Situs Address
102305	9065	VISION HOUSE	450 BREMERTON AVE NE
102305	9066	VISION HOUSE PARCEL	No Situs Address
102305	9068	SFR Teardown (Listed For Sale as Mixed U	4502 NE 4TH ST
102305	9072	HAZEN HIGH SCHOOL	No Situs Address
102305	9075	MARTIN LUTHER KING BAPTIST	4519 NE 10TH ST
102305	9078	RENTON CHURCH OF THE NAZARENE	850 UNION AVE NE
102305	9081	sfr	1160 DUVALL AVE NE
102305	9086	VISION HOUSE PARCEL	No Situs Address

102305	9117	INSURANCE AGENCY	4508 NE 4TH ST
102305	9121	RENTON TECH SCHOOL	No Situs Address
102305	9140	MCCLINNCY FLOOR COVERING (AND APAF	4604 NE 4TH ST
102305	9146	FOLLOW THE LIGHT KOINIA CHURCH	1063 HOQUIAM AVE NE
102305	9201	TENNIS COURTS & PARKING	1025 HOQUIAM AVE NE
102305	9253	L D S CHURCH	816 FIELD AVE NE
102305	9263	UTILITY BLDG	No Situs Address
102305	9278	HAZEN HIGH SCHOOL	1101 HOQUIAM AVE NE
102305	9303	HIGHLAND EAST CENTER	12744 SE 128TH ST
102305	9374	JACKSONS SHELL/ CAR WASH	4102 NE 4TH ST
102305	9375	SHOOTING STAR DAYCARE	483 DUVALL AVE NE
102305	9378	KINGDOM HALL	1155 DUVALL AVE NE
106570	0110	SAINT ANDREW PRESBYTERIAN CHURCH	3500 NE 10TH CT
132305	9026	BRIARWOOD ELEM SCHOOL	17020 SE 134TH ST
142305	9095	FIRE STATION	12923 156TH AVE SE
143400	0010	King County Property	3021 NE 4TH ST
143400	0020	King County Property	3005 NE 4TH ST
145750	0005	HIGHLAND AUTO	12811 164TH AVE SE
145750	0006	VACANT LAND	No Situs Address
149450	0040	TAQUERIA EL RINCONSITO RENTON HIGHL	4619 NE SUNSET BLVD
152305	9002	STORAGE ONE ON 4TH	No Situs Address
152305	9031	HILLCREST SQUARE	4575 NE 4TH ST
152305	9072	RETAIL BUILDING	350 DUVALL AVE NE
152305	9084	RESIDENCE ON CA ZONED LAND	360 DUVALL AVE NE
152305	9094	HILLCREST SQUARE	4605 NE 4TH ST
152305	9112	Teardown on Commercial Land	4801 NE 4TH ST
152305	9124	QFC FUEL CENTER	4615 NE 4TH ST
152305	9145	JOHN L SCOTT OFFICE BUILDING	13815 SE 128TH ST
152305	9231	VACANT LAND	No Situs Address
162305	9001	VACANT LAND	NE 4TH ST
162305	9015	LEISURE VILLAGE MHP (250 PADS; DW)	201 UNION AVE SE
162305	9025	AUTO REPAIR BUILDING	3709 NE 4TH ST
162305	9031	PLUMBING OFFICE	3929 NE 4TH ST
162305	9046	STATE OF WASH HWY DEPT	2631 NE 4TH ST
162305	9052	DISCOUNT TIRES- (assoc parcel -9128)	3123 NE 4TH ST
162305	9058	U-HAUL RENTALS	3131 NE 4TH ST
162305	9076	GREENWOOD CEMETERY OLDER OFFICE/	3401 NE 4TH ST
162305	9079	GREENWOOD CEMETARY	3401 NE 4TH ST
162305	9083	D & D FLOOR COVERING	345 UNION AVE NE
162305	9084	JIFFY LUBE	3933 NE 4TH ST
162305	9087	PLUMBING JOINT RETAIL/OFFICE/STORAG	351 UNION AVE SE
162305	9089	EASTWAY CENTER LINE RETAIL	3901 NE 4TH ST
162305	9103	VACANT LAND	No Situs Address
162305	9104	Por of LEISURE VILLAGE MHP (4 PADS)	No Situs Address
162305	9111	CHEVRON EXTRA MILE/MCDONALDS	3209 NE 4TH ST
162305	9112	AUTO REPAIR SHOP	3205 NE 4TH ST
162305	9114	VACANT LAND	NE 4TH ST

162305	9115	ARCO	2900 NE 3RD ST
162305	9123	CITY OF RENTON PUBLIC WORKS (MISSING	No Situs Address
162305	9127	CITY OF RENTON PARCEL (IMP ON -9123)	No Situs Address
162305	9128	DISCOUNT TIRES ASSOCIATED PARCEL - (	No Situs Address
162305	9130	KC PUBLIC HEALTH CLINIC	3001 NE 4TH ST
162305	9133	KING COUNTY TRANSFER STATION	3021 NE 4TH ST
162305	9135	KING COUNTY DISTRICT COURT	3407 2ND AVE
172305	9001	VACANT LAND (TOPO & FILL ISSUES)	NE 3RD ST
172305	9039	VACANT COMMERCIAL LAND (TOPO & SHA	No Situs Address
172305	9057	PSE Vacant RW	1200 NE 43RD ST
172305	9085	MT OLIVET CEMETARY	No Situs Address
172305	9102	KAISER PERMANENTE (FORMERLY GROUF	1920 BRONSON WAY N
172305	9106	MT OLIVET CEMETARY	No Situs Address
172305	9107	VACANT LAND (TOPO & SHAPE IMPACTS)	175 NE 3RD ST
172305	9130	WATER TANK	BRONSON WAY N
172305	9131	FIRST METHODIST CHURCH	2201 4TH AVE
172305	9149	MT OLIVET CEMETERY	BLAINE AVE NE
172305	9153	GROUP HEALTH PARKING (assoc. w/-9102)	275 BRONSON WAY NE
172305	9171	VACANT LAND	NE 3RD ST
172305	9178	VACANT LAND (MAJOR TOPO)	1900 MAPLE VALLEY HWY
172305	9180	VACANT LAND	No Situs Address
172305	9182	Vacant Multifamily Land	No Situs Address
205050	0010	U.S. BANK	4513 NE 4TH ST
243450	0005	ST MATTHEWS LUTHERAN	1700 EDMONDS AVE NE
269030	0000	GALLOWAY TOWNHOMES CONDOMINIUM	4005 NE 3RD PL
269030	0010	GALLOWAY TOWNHOMES CONDOMINIUM	No Situs Address
285480	0075	SEVENTH DAY ADVENTIST CHURCH (Assoc	1030 LYNNWOOD AVE NE
285480	0080	SEVENTH DAY ADVENTIST CHURCH (ASSC	1030 LYNNWOOD AVE NE
285480	0140	MEDICAL DENTAL BLDG - (assoc parcel -014	1080 KIRKLAND AVE NE
285480	0145	MEDICAL DENTAL PARKING FOR -0140	1080 KIRKLAND AVE NE
311990	0005	Vacant Multifamily Land	No Situs Address
311990	0010	VACANT LAND	703 SUNSET BLVD NE
311990	0011	VACANT LAND	707 SUNSET BLVD NE
311990	0051	Vacant Multifamily Land	905 SUNSET BLVD NE
329540	0120	VACANT LAND (NEAR SUNET ON DUVALL)	No Situs Address
334390	0005	KENNYDALE MEMORIAL HALL	2424 NE 27TH ST
334390	1480	CITY OF RENTON LAND	2530 ABERDEEN AVE NE
366450	0231	SEG FROM 36645002400	13200 156TH AVE SE
366450	0240	EAST RENTON COMMUNITY CHURCH	13232 156TH AVE SE
366450	0320	LORD OF LIFE LUTHERAN CHURCH	12819 160TH AVE SE
516970	0040	SHANNON VILLAGE MALL	1620 DUVALL AVE NE
516970	0041	SHANNON VILLAGE MALL (SUBWAY & OFFI	1702 DUVALL AVE NE
516970	0050	OFFICE/DENTAL BUILDING	1520 DUVALL AVE NE
516970	0051	SHANNON VILLAGE (MEDICAL/OFFICE BLD	1620 DUVALL AVE NE
516970	0085	76 AUTO CARE	4715 NE SUNSET BLVD
516970	0115	RENTON HIGHLANDS LINE RETAIL BUILDIN	4500 NE SUNSET BLVD
516970	0119	KIM'S TAE KWON DO SCHOOL	4602 NE SUNSET BLVD

516970	0120	RAINBOW CAR WASH	4606 NE SUNSET BLVD
516970	0121	KING AND BUNNIES APPLIANCES	4608 NE SUNSET BLVD
516970	0122	ARCO AMPM	1537 DUVALL AVE NE
516970	0123	HENRY'S QUICK LUBE	1545 DUVALL AVE NE
516970	0129	OFFICE BUILDING (Converted SFR)	1625 DUVALL AVE NE
518210	0008	WALGREENS PHARMACY STORE	4105 NE 4TH ST
518210	0010	LES SCHWAB TIRE	354 UNION AVE NE
518210	0011	Teardown on Commercial Land	316 UNION AVE SE
518210	0012	SFR TEARDOWN CA ZONED LAND (WETLAI	254 UNION AVE NE
518210	0013	UNION SQUARE BUSINESS PARK	326 UNION AVE NE
518210	0014	Vacant Commercial Land	No Situs Address
518210	0016	Assoc parking for Les Schwab -0010	No Situs Address
518210	0031	UNITED STATES POST OFFICE HIGHLAND	4301 NE 4TH ST
518210	0039	Van's Auto Repair	4405 NE 4TH ST
518210	0041	KEY BANK RENTON HIGHLANDS	4431 NE 4TH ST
518210	0043	KIDDIE ACADEMY	353 BREMERTON AVE NE
683840	0020	AUTO REPAIR (BUCKY'S TRANSMISSION)	3801 NE 4TH ST
683840	0030	LINE RETAIL	3805 NE 4TH ST
683840	0040	MEXICAN RESTAURANT	3813 NE 4TH ST
722700	0000	RENTON HIGHLAND BUSINESS CENTER C	4505 NE 4TH ST
722700	0010	RENTON HIGHLAND BUSINESS CENTER C	4505 NE 4TH ST
722700	0020	RENTON HIGHLAND BUSINESS CENTER C	4505 NE 4TH ST
722750	0550	KATIE J'S BAR & GRILL & APEX AUTO REPA	2621 NE SUNSET BLVD
722750	0610	AUTO SERVICE BUILDING	901 HARRINGTON AVE NE
722750	0620	LINE RETAIL (ASSOC W/0625)	925 HARRINGTON AVE NE
722750	0625	LINE RETAIL	927 HARRINGTON AVE NE
722750	0630	VACANT LAND	HARRINGTON AVE NE
722750	0635	VACANT LOT	No Situs Address
722750	1690	Parking for Facilities & Operations Cen	No Situs Address
722750	2510	HIGHLANDS ELEM SCHOOL	809 HARRINGTON AVE NE
722750	2515	HIGHLANDS NEIGHBORHOOD CENTER	800 EDMONDS AVE NE
722750	2520	PARK	No Situs Address
722780	0135	EARLY CHILDHOOD LEARNING CENTER	1800 INDEX AVE NE
722780	0145	COMMUNITY CENTER	3000 NE 16TH ST
722780	0285	76 / CIRCLE K	3002 SUNSET BLVD NE
722780	0425	RENTON TECHNICAL COLLEGE	3000 NE 4TH ST
722780	0450	RENTON VO-TECH INSTITUTE	3000 NE 4TH ST
722780	0475	RENTON SCHOOL DIST	3000 NE 4TH ST
722780	0500	RENTON VOC-TECH	3000 NE 4TH ST
722780	0995	HIGHLANDS COMMUNITY CHURCH	3031 NE 10TH ST
722780	1023	VACANT LAND (OWNED BY HIGHLANDS CH	No Situs Address
722780	1028	OFFICE & RETAIL BUILDNG	900 HARRINGTON AVE NE
722780	1060	VACANT LAND	965 HARRINGTON AVE NE
722780	1065	KING COUNTY LIBRARY	2801 NE 10TH ST
722780	1075		No Situs Address
722780	1201	SHELL FOOD MART	No Situs Address
722780	1205	GREATER HILANDS SHOPPING CENTER (A	2806 NE SUNSET BLVD

722780	1206	U.S. BANK	2950 SUNSET BLVD NE
722780	1235	GREATER HILANDS CENTER (ASSOC W/12)	2806 SUNSET BLVD NE
722780	1396	VACANT	2601 SUNSET LN NE
722780	1405	GREATER HILANDS SHOPPING CENTER (A	975 HARRINGTON PL NE
722780	1406	GREATER HIGHLANDS RETAIL BUILDING	1171 KIRKLAND AVE NE
722780	1450	FIRE STATION #12	1209 KIRKLAND AVE NE
722780	1785	VACANT LAND	NE 12TH ST
722780	1860	VACANT LAND (ASSOC W/MIDDLE SCHOOL)	No Situs Address
722780	2040	RENTON HIGHLANDS LIBRARY	2902 NE 12TH ST
722780	2041		No Situs Address
722790	0015	ASSOC PARKING FOR -0019 WALGREENS	3000 NE SUNSET BLVD
722790	0016	OFFICE BUILDING	3005 NE SUNSET BLVD
722790	0017	STEVEN YANG DDS DENTAL BUILDING	1124 KIRKLAND AVE NE
722790	0018	ASSOC PARKING FOR -0019 WALGREENS	No Situs Address
722790	0019	WALGREENS (RENTON HIGHLANDS)	No Situs Address
722790	0020	ASSOC PARKING FOR -0019 WALGREENS	No Situs Address
722790	0021	ASSOC PARKING FOR -0019 WALGREENS	No Situs Address
722790	0028	SEVENTH DAY ADVENTIST CHURCH	1030 LYNNWOOD AVE NE
722790	0075	RENTON HOUSING AUTHORITY	2900 NE 10TH ST
722790	0090	J C MART/NAIL PRO/TEXACO	2801 NE SUNSET BLVD
722790	0091	GROCERY OUTLET	2809 NE SUNSET BLVD
722790	0093	RETAIL BUILDING	2804 10TH AVE NE
722790	0094	VIET WAH ASIAN MARKET	2825 NE SUNSET BLVD
722790	0095	THE JEWELRY EXCHANGE	2833 NE SUNSET BLVD
780920	0080	COMMUNITY OF CHRIST CHURCH	705 MONROE AVE NE
937400	0400	VACANT	4225 NE 4TH ST