

**Commercial Revalue**

**2018 Assessment roll**

**AREA**

**85**

**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.

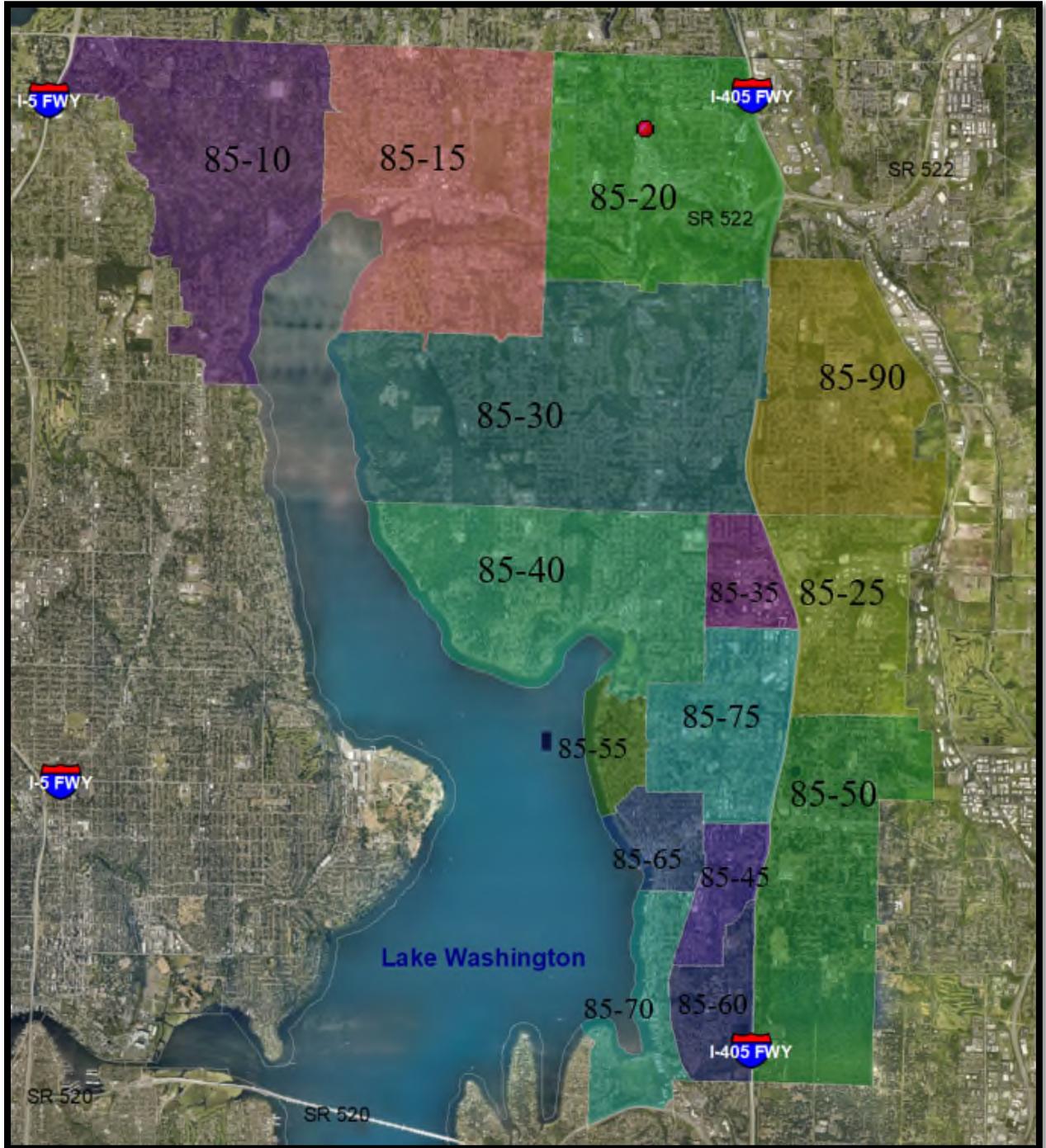
## Requirements of State Law

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.

# Area 85 Map



# Executive Summary Report

**Appraisal Date 1/1/18**

**Geographic Appraisal Area:**

- Area 85: Lake Forest Park/Kenmore/Bothell/Kirkland - NE Lake Washington Corridor

**Sales – Improved Summary**

- Number of Sales: 65
- Range of Sales Dates: 1/12/2015– 12/8/2017

**Sales – Ratio Study Summary**

<b>Sales--Improved Valuation Change Summary</b>				
	Mean Assessed Value	Mean Sale Price	Ratio	COD*
2017 Value	\$2,397,300	\$2,994,300	80.10%	12.42%
2018 Value	\$2,967,300	\$2,994,300	99.10%	5.56%
Abs. Change	\$570,000		19.00%	-6.86%
% Change	23.78%		23.72%	-55.23%

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

Sales used in analysis: All improved sales that were verified as good that did not have characteristic changes between the date of sale and the date of appraisal were included in the analysis. Examples of sales that are not included in the analysis are: sales that are leased back to the seller; sold as a portion of a bulk portfolio sale; net lease sales; sales that had major renovation after sale, or have been segregated or merged since being purchased.

<b>Total Population - Parcel Summary Data</b>			
	Land	Improvements	Total
2017 Value	\$1,329,332,900	\$967,369,700	\$2,296,702,600
2018 Value	\$1,401,020,300	\$1,045,266,600	\$2,446,286,900
% Change	5.39%	8.05%	6.51%

Number of Parcels in the ratio population: **1,197**, excluding specialties.

**Conclusion and Recommendation:**

Total assessed values for the 2018 revalue have increased 6.51%. The values recommended in this report improve uniformity and equity; therefore it is recommended they should be posted for the 2018 Assessment Year. All of the cities in this geographic area are actively redeveloping their downtown areas.

## Identification of the Area

### Name or Designation

- **Area 85 (Lake Forest Park/Kenmore/Bothell/Kirkland)**

### Area 85 Neighborhood

- 85-10 – Lake Forest Park and Ballinger Way
- 85-15 – Kenmore
- 85-20 – Bothell
- 85-25 – East Totem Lake
- 85-30 – Finn Hill/North Juanita
- 85-35 – West Totem Lake
- 85-40 – Juanita
- 85-45 – N Houghton/Everest
- 85-50 – S Rosehill
- 85-55 – Market Street
- 85-60 – S Houghton
- 85-65 – Kirkland CBD
- 85-70 – Yarrow Bay/Carillon Pt
- 85-75 – Norkirk/Highlands
- 85-90 - Kingsgate

### Boundaries

- West – Lake Washington and the western-most Lake Forest Park and Ballinger Way area
- North – Snohomish County
- East – Kirkland city limits
- South – Bellevue

### Maps

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

### Area Overview

The City of Kirkland is situated on the northeastern shore of Lake Washington with beautiful sunset views of the Olympic Mountains. Kirkland is working with developers in the revitalization of the Totem Lake Mall and Kirkland Urban. Like much of the eastside, Kirkland has benefited from the current economic boom and undergoing a major transformation. Totem Lake Mall consists of a 26-acre site with a projected mall area of up to one million square feet of mixed use buildings. The lower mall has finished buildings A and B (Whole Foods, Trader Joe's, and Nordstrom Rack). Building C is under construction and has retail on the ground floor, levels 2–4 are parking, and levels 5-7 are apartments. The vacant upper mall site will be improved with 650 apartments, 40,000 square feet of retail, a multiplex cinema, and numerous restaurants. Kirkland Urban on Central Way will be redeveloped to include 1.2 million square feet of commercial and residential buildings. Two major tenants include Tableau Software and Wave, with about 90,000 square feet. The below level parking garages are almost complete and the retail and office buildings are under construction. Apartment construction should start in 2018.

Downtown Bothell has five large development projects underway and they include: Village at Gateway with 146 apartment units, Swedish Crest with 53 apartment units, Boulevard Place senior housing with 285 units, Bothell 185 with 135 apartment units, and Mercantile Building with 122 apartment units. These projects are located mainly in the expanded downtown area. Weidner Apartments will probably start in 2018 because they have assembled all of their parcels.

Kenmore Village is developing an office building of 3,000 sf and Seaplane Kitchen and Bar with 5,000 sf along NE 181<sup>st</sup> St. These projects are now in the foundation phase of construction. Lakepointe development consists of a total of 50 plus acres and 8 parcels of land. Lakefront properties will be mixed use hotel/retail/housing. Riverfront properties will be mid-rise apartments and properties on NE 175<sup>th</sup> St will be mid-rise offices. The Weidner Apartment Group hopes to start construction in 2020.

Lake Forest Park passed rezoning of the old Elks Lodge property and it is being redeveloped as Southern Gateway Village with 114 residential units, which are mostly finished. The Ballinger area has Sunrise Eleven which consists of a 60 unit apartment project that was just completed. Ballinger Apartments are currently under construction at 1795 NE 205<sup>th</sup> St.

## **Analysis Process**

**Effective Date of Appraisal:** January 1, 2018

**Date of Appraisal Report:** March 21, 2018

## **Highest and Best Use Analysis**

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

**As if improved:** Based on neighborhood trends, both demographic and current development patterns, the existing buildings represent the highest and best use of most sites. The existing use will continue until land value, in its highest and best use, exceeds the sum of value of the entire property in its existing use and the cost to remove the improvements. We find that the current improvements do add value to the property, in most cases, and are therefore the highest and best use of the property is as improved. In those properties where the property is not at its highest and best use, a nominal value of \$1,000 is assigned to the improvements.

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

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

### **Standards and Measurement of Data Accuracy**

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

### **Special Assumptions and Limiting Conditions**

All three approaches to value were considered in this appraisal.

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

### **Area Description**

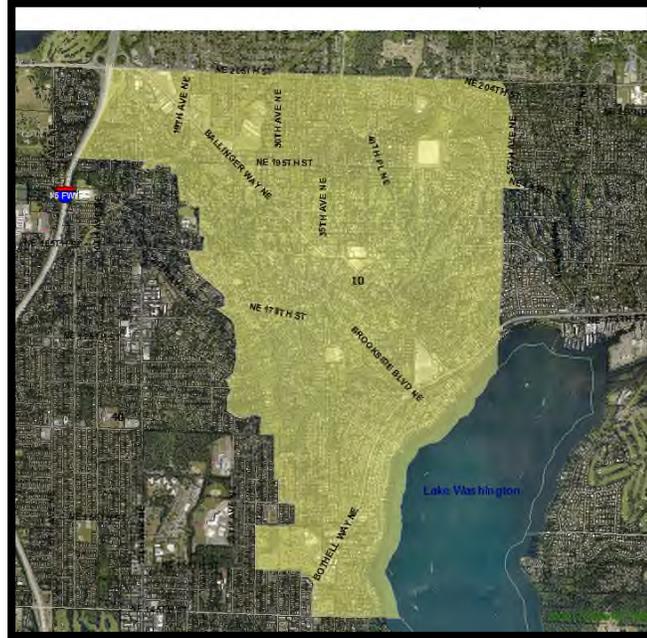
Geographic Area 85 consists of cities and neighborhoods located northeast of Lake Washington, which boundaries are generally defined as the King/Snohomish County line to the north, State Route 520 to the south, the Kirkland to the east, and Lake Washington/western-most portion of Lake Forest Park, and Ballinger Way Area.

Within the Geographic Area 85, there are fifteen distinct neighborhoods that have been established for valuation purposes. The City of Lake Forest Park and Ballinger Way area of Shoreline are found in the northwestern portion of Area 85. Located to the east of Lake Forest Park is the City of Kenmore. The City of Bothell is situated in the northern sector of Area 85, while the City of Kirkland encompasses Area 85's southern section. Located between the City of Bothell to the north and the City of Kirkland to the south are three neighborhoods known as North Juanita, Finn Hill, and Kingsgate.

## Lake Forest Park: Area 85-10

### Neighborhood 85-10 Boundaries:

- North– Snohomish County
- South–NE 145<sup>th</sup> Street
- East– City of Kenmore
- West– City of Shoreline



**Neighborhood Description:** The City of Lake Forest Park is a heavily forested area that is a primarily residential community located 12 miles north of downtown Seattle. The majority of businesses are situated near the Lake Forest Towne Centre complex at Bothell Way NE and Ballinger Way NE. This shopping center has been established for years and includes the City Hall, Third Place Books, Albertson, Starbucks, and Bank of America. However, there is a new commercial area called Southern Gateway Village which is located at NE 145<sup>th</sup> St and Bothell Way NE, the former site of the Elks Lodge. Southern Gateway encompasses 7.1 acres, was started in early 2014 and the complete build out is projected to be in 2018. It will have 86 townhomes and 28 single family residences. It is an urban in-fill project with 1.2 acres of parks, open space, and roads maintained by the association. The entitlements have been completed and most of the units have been constructed.

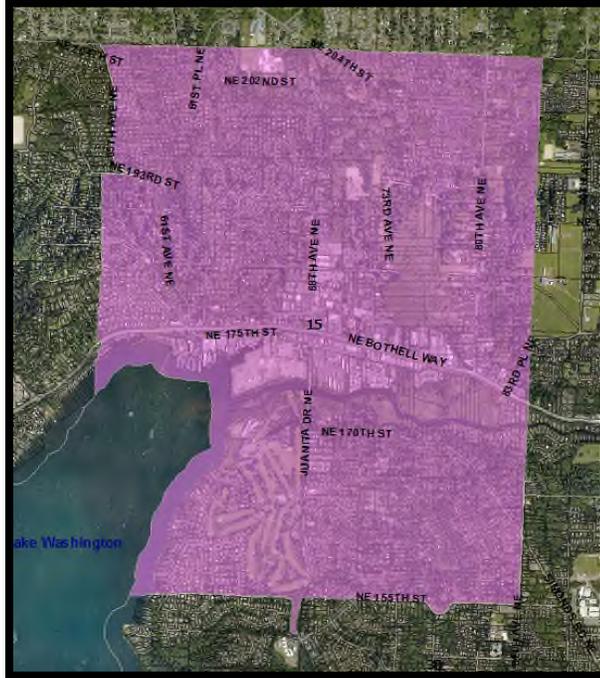


Ballinger Apartments- 72 unit apartment under construction #741770-0552

## Kenmore: Area 85-15

### Neighborhood 85-15 Boundaries:

- North – Snohomish County
- South – Lake Washington and NE 155<sup>th</sup> Street
- East – 84<sup>th</sup> Avenue NE
- West – City of Lake Forest Park



**Neighborhood Description:** The residents of Kenmore drive or commute to employment cities including: Seattle, Bellevue, and Everett. The large projects that are currently underway in Kenmore include: Kenmore Village office building and Seaplane Kitchen and Bar. The Post Office is located on a contaminated site and the city is cleaning it up. Lakepointe now has a developer, Weidner Apartment Group, which will start development in 2020. There are 51.9 acres consisting of 8 parcels. Permits have been extended several times for a 206,000 sf office, 440,000 sf of retail and commercial with a movie theater and hotel, 1,200 residential units, a 27 boat slip marina, and 4,464 parking spaces.



Seaplane Kitchen and Bar in Kenmore Village #382020-0010

## **Bothell: Area 85-20**

### **Neighborhood 85-20 Boundaries:**

- North – Snohomish County
- South – NE 165<sup>th</sup> Street
- East – Interstate 405
- West – City of Kenmore



**Neighborhood Description:** Residents may commute from Bothell to Seattle, Bellevue, or Everett, which are a reasonable distance away. About half of Bothell is located in King County and the other half in Snohomish County. The area offers unique regional shopping, such as Bothell's Country Village and downtown Main Street. Further, the University of Washington at Bothell and Cascadia Community College share a 124-acre campus located just northwest of the intersection of I-405 and SR-522.

Currently, the City of Bothell is executing its **Downtown Revitalization Plan**. Over the last several years, the City of Bothell has acquired 25 acres throughout downtown as part of a plan to inject private development funding for redevelopment into the heart of the city. These include: the extension and expansion of Main Street (on-going) and the creation of an additional park at Bothell Landing (on-going) with a new bridge over the slough. Additional development includes: Village at Gateway with 146 apartment units, Swedish Crest with 53 apartment units, Boulevard Place senior housing with 285 units, Bothell 185 with 135 apartment units, and Mercantile building with 122 apartment units. Bothell also purchased Wayne Golf Course and will develop it into a park and open space along the Sammamish Slough.



Boulevard Place Senior Apartments- #237420-0030



Mercantile Apartments- #096700-0070



Bothell 185 Apartments- #096700-0385

## **East Totem Lake: Area 85-25**

### **Neighborhood 85-25 Boundaries:**

- North – NE 132<sup>nd</sup> Street
- South – NE 104<sup>th</sup> Street
- East – 136<sup>th</sup> Avenue NE
- West – Interstate 405



**Neighborhood Description:** The predominant land uses within this neighborhood include a mixture of retail, industrial, multi-family, and low-rise medical office buildings. The northern sector of this neighborhood is dominated by Evergreen Hospital and supported by medical office buildings surrounding it. Totem Lake Mall and Lake Washington Institute of Technology are the major properties located in the central area.

The Totem Lake Mall sold to CenterCal and they will redevelop the 26-acre site northwest of the intersection of 124<sup>th</sup> Street NE and Interstate 405. They plan on keeping the freestanding Auto Zone structure and the building that houses Ross. There is a Conceptual Master Plan that was formulated in 2005 with the idea of a contemporary regional mixed use shopping mall project that will include a public plaza, pedestrian amenities, landscaping, and external circulation systems. Multi-story mixed use buildings will include department stores, fast food, coffee shops, offices, retail, restaurants, residential, and a cinema for a total of one million square feet. This will be one of the largest developments in Kirkland for the foreseeable future. The lower mall buildings A and B and satellite buildings have been completed while building C is under construction. The upper mall is in the foundation and framing stage.



Nordstrom Rack and Trader Joe's- #894438-0010

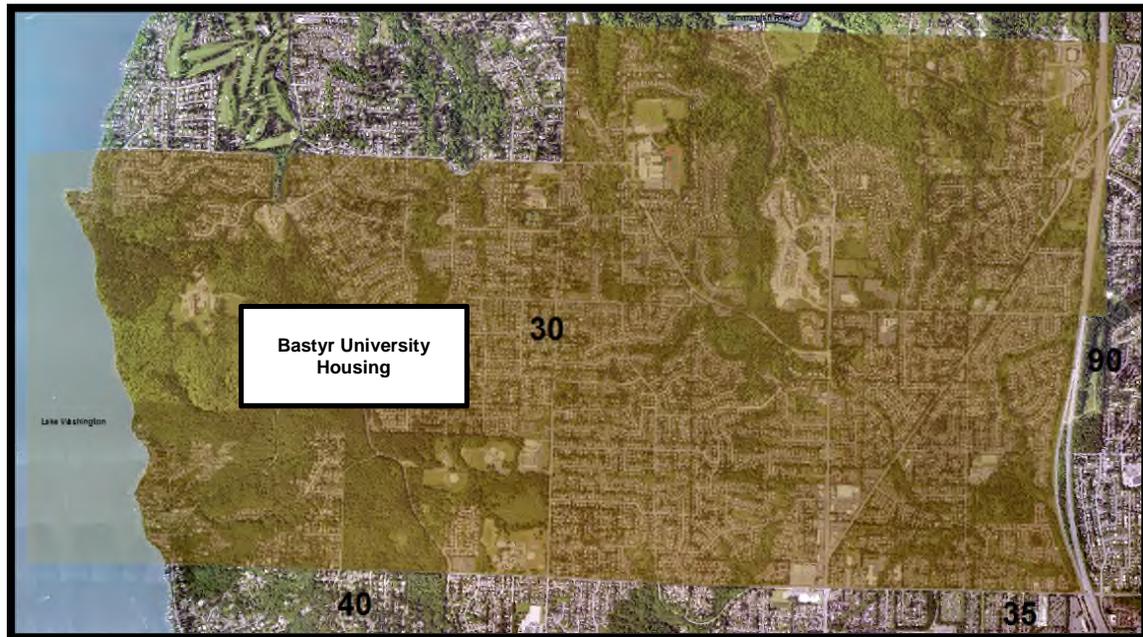


Whole Foods- #894438-0010

## **Finn Hill/North Juanita: Area 85-30**

### **Neighborhood 85-30 Boundaries:**

- North – NE 155<sup>th</sup> Street
- South – NE 132<sup>nd</sup> Street
- East – Interstate 405
- West – Lake Washington



**Neighborhood Description:** The predominant land uses within this neighborhood include a mixture of retail, multi-family and low-rise office buildings. Within this neighborhood are St. Edwards State Park and Bastyr University. The Seminary building at Saint Edwards State Park has a concept proposal for the 90,000 sf building into a lodge or retreat facility. The building needs \$50 million in restoration and Daniels Real Estate of Seattle is working to preserve and rehabilitate the seminary building into a lodge type hotel. The lease includes the seminary, pool, gymnasium, and parking lot with 5.5 acres of park. Construction has not started yet.



Seminary Building- #232604-9001

## West Totem Lake: Area 85-35

### Neighborhood 85-35 Boundaries:

- North – NE 132<sup>nd</sup> Street
- South – NE 116<sup>th</sup> Street
- East – Interstate 405
- West – 108<sup>th</sup> Avenue NE



**Neighborhood Description:** The predominant commercial land uses within this neighborhood include a mixture of retail, industrial, multi-family, and low/mid-rise medical/office buildings. West Totem Lake is best known for its retail service core which includes line-retail, restaurants, and the Fred Meyer Shopping Complex. The area is also home to the Kirkland 405 Corporate center, a multi-building suburban office park home to numerous companies. This neighborhood will probably have the most to gain from the tenants being priced out of the redevelopment of the Totem Lake Mall due to proximity.

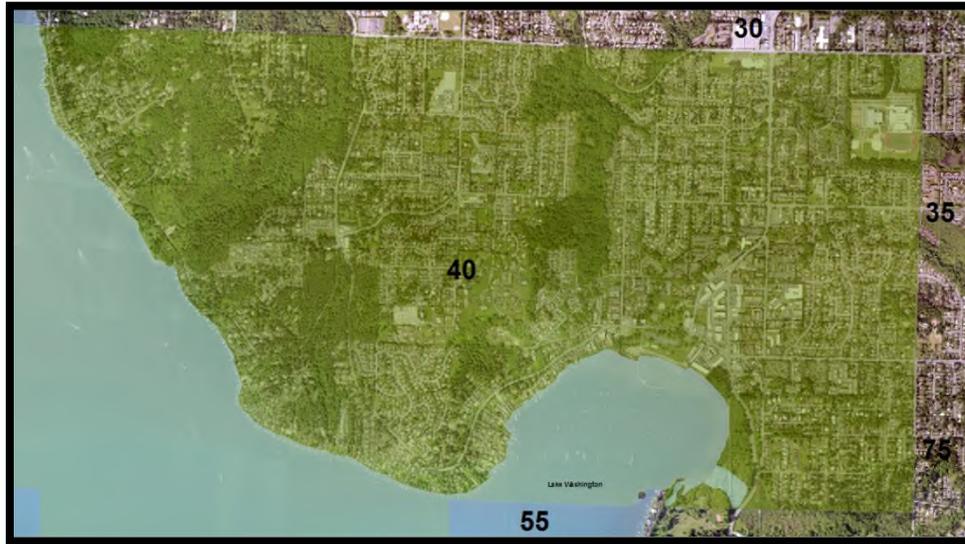


Kirkland 405 Corporate Center- #389060-0020

**Juanita: Area 85-40**

**Neighborhood 85-40 Boundaries:**

- North – NE 132<sup>nd</sup> Street
- South – NE 108<sup>th</sup> Street
- East – 108<sup>th</sup> Avenue NE
- West – Lake Washington



**Neighborhood Description:** The predominant commercial land uses within this neighborhood include a mixture of retail buildings, apartments, condominiums, and professional low rise office buildings. Juanita Village is a modern take on the traditional mixed-use residential/commercial urban neighborhood center that also serves as the heart of the community.

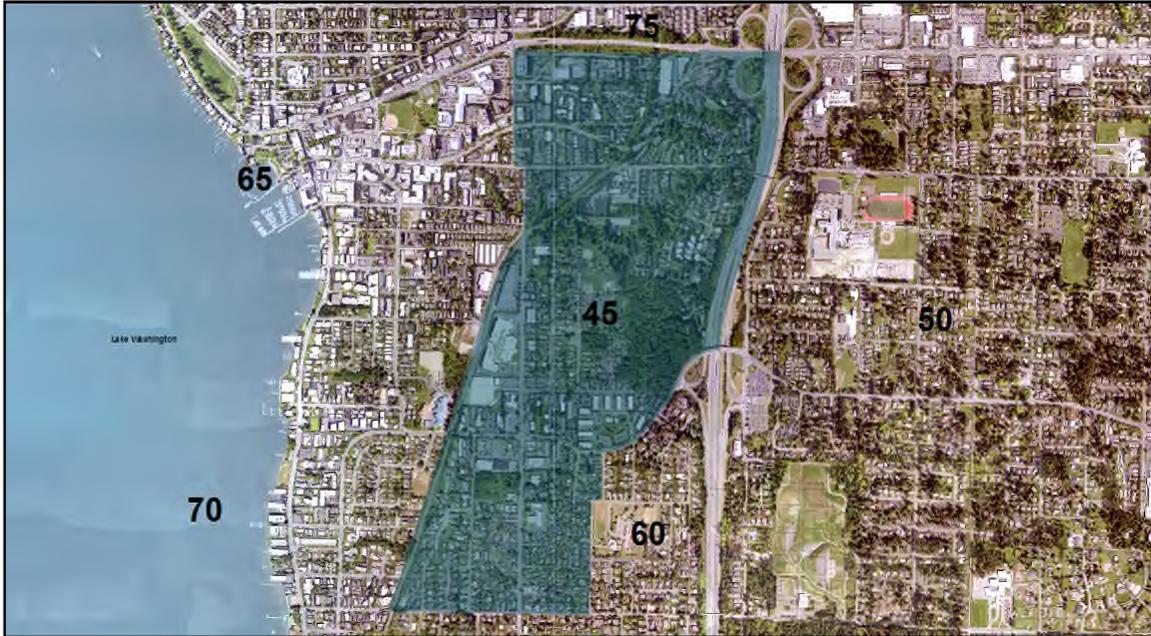


Under construction 12 unit apartment with Lake Washington View- #376050-0535

## North Houghton/Everest: Area 85-45

### Neighborhood 85-45 Boundaries:

- North – NE 85<sup>th</sup> Street
- South – NE 60<sup>th</sup> Street
- East – Interstate 405
- West – Burlington Northern Railroad (Cross Kirkland Corridor)



**Neighborhood Description:** The predominant commercial land uses within this neighborhood include a mixture of retail buildings, low to mid-rise office buildings, and industrial properties. This area is home to Google's 355,000 square foot Kirkland campus.

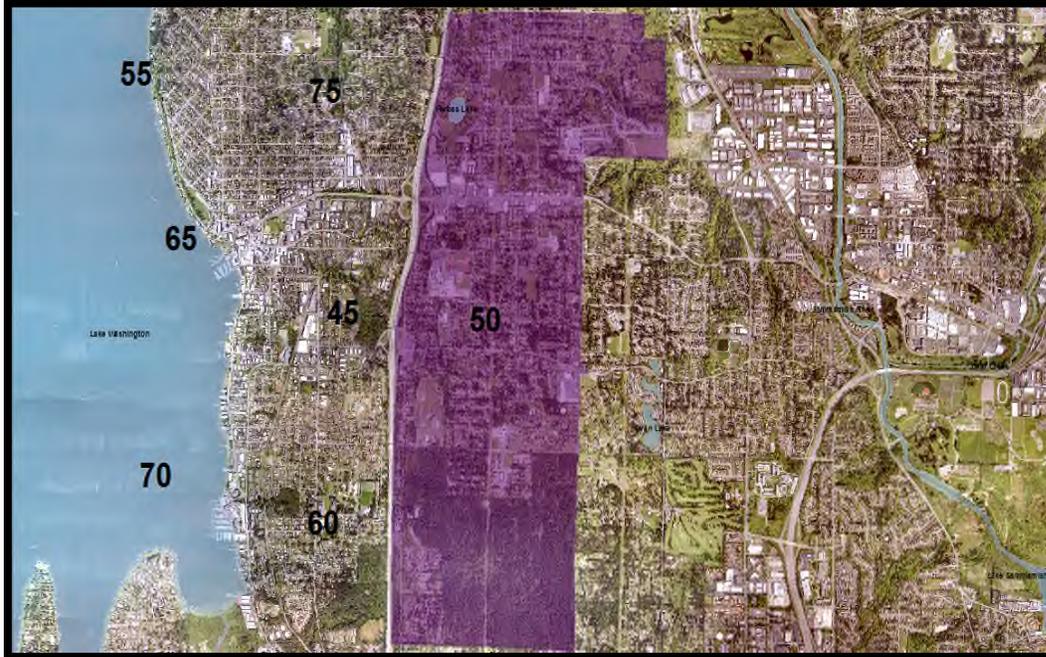


Google – Kirkland- #788260-0180

## South Rose Hill: Area 85-50

### Neighborhood 85-50 Boundaries:

- North – NE 104<sup>th</sup> Street
- South – NE 40<sup>th</sup> Street
- East – 132<sup>nd</sup> Place NE
- West – Interstate 405



**Neighborhood Description:** The predominant land uses within this neighborhood include a mixture of retail, low-rise office buildings, and some multi-family units. The retail oriented businesses include neighborhood shopping centers, line retail, restaurants, and car dealerships, mostly occurring along NE 85<sup>th</sup> Street.



Rose Hill Elementary- #042505-9017

## Market Street: Area 85-55

### Neighborhood 85-55 Boundaries:

- North – Juanita Bay Park
- South – 3<sup>rd</sup> Street W
- East – 1<sup>st</sup> Street
- West – Lake Washington



**Neighborhood Description:** The predominant land uses within this neighborhood include small neighborhood retail establishments and low-rise office buildings, sometimes of the single family residential conversion variety.



Dibble Engineering Office under construction on Market St- #388580-1885

**South Houghton: Area 85-60**

**Neighborhood 85-60 Boundaries:**

- North – NE 68<sup>th</sup> Street
- South – NE 39<sup>th</sup> Place
- East – Interstate 405
- West – Lake Washington Blvd



**Neighborhood Description:** The predominant land uses within this neighborhood include mid-rise office buildings and small light industrial warehouse buildings. In addition, Northwest University is located in the northern part of this area.

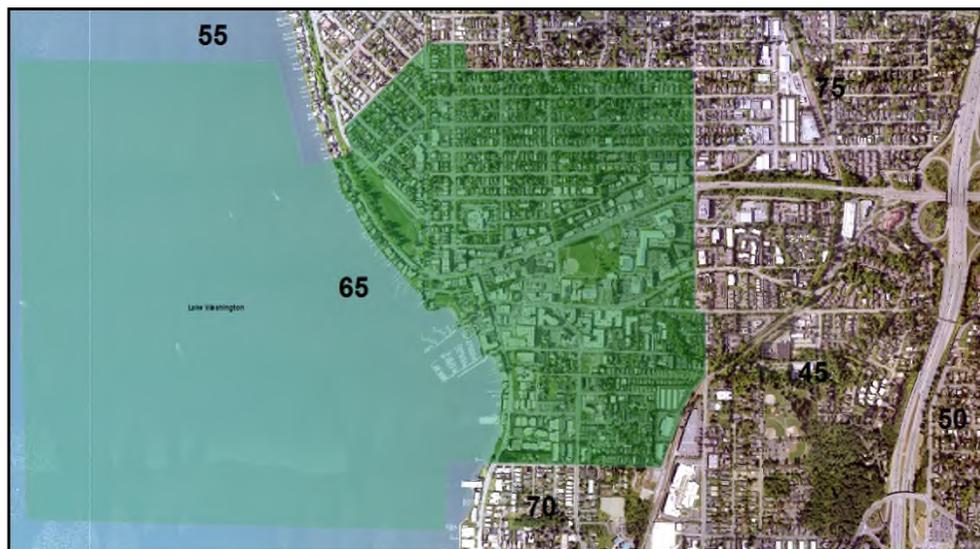


Northwest College- #172505-9203

## **Kirkland CBD: Area 85-65**

### **Neighborhood 85-65 Boundaries:**

- North – 10<sup>th</sup> Avenue
- South – 7<sup>th</sup> Avenue S
- East – 6<sup>th</sup> Street S
- West – Lake Washington



**Neighborhood Description:** The City of Kirkland is located on the eastern shore of Lake Washington, north of Bellevue and west of Redmond. Within a half square mile, it boasts one of the most dynamic downtowns in the state. New office and condominium projects continue to be built at a moderate pace, with older retail buildings being renovated into art galleries, restaurants, apartments, offices, and boutiques along Lake Street, Park Lane, and Central Way. They reflect the vitality and strength of the immediate area and the region. A healthy mix of small business, corporate headquarters, light industrial and manufacturing, and a growing base of high-tech and home based businesses characterize Kirkland’s local economy. A competitive business climate, with no local Business and Occupation (B&O) Tax, and high quality of life make Kirkland a desirable location for both local and world class enterprises.

Kirkland Urban is the most significant redevelopment project being proposed for the downtown Kirkland area. Kirkland Urban sits on 11.7 acres adjacent to Peter Kirk Park and features a thirty year old retail/office/residential complex that is being gentrified. A significant redevelopment plan has been in the works since at least 2007 with various entities partnering to deliver the project. Talon Private Capital announced their plans to construct up to 1.2 million square feet with 605,000 sf of office space, 200,000 sf of retail, and up to 300 residences. Talon also wishes to create about two acres of public space, with plazas, outdoor art and walkways. Talon received approval in December of 2015 from the city’s design review board for the first phase which will consist of enlarging the QFC grocery store, constructing two 190,000 sf office buildings, and a 205 unit residential building. Tableau (software) leased 90,000 sf and Wave (broadband provider) leased about the same amount. The new mixed use project is called Kirkland Urban.



Kirkland Urban under construction- #124870-0051

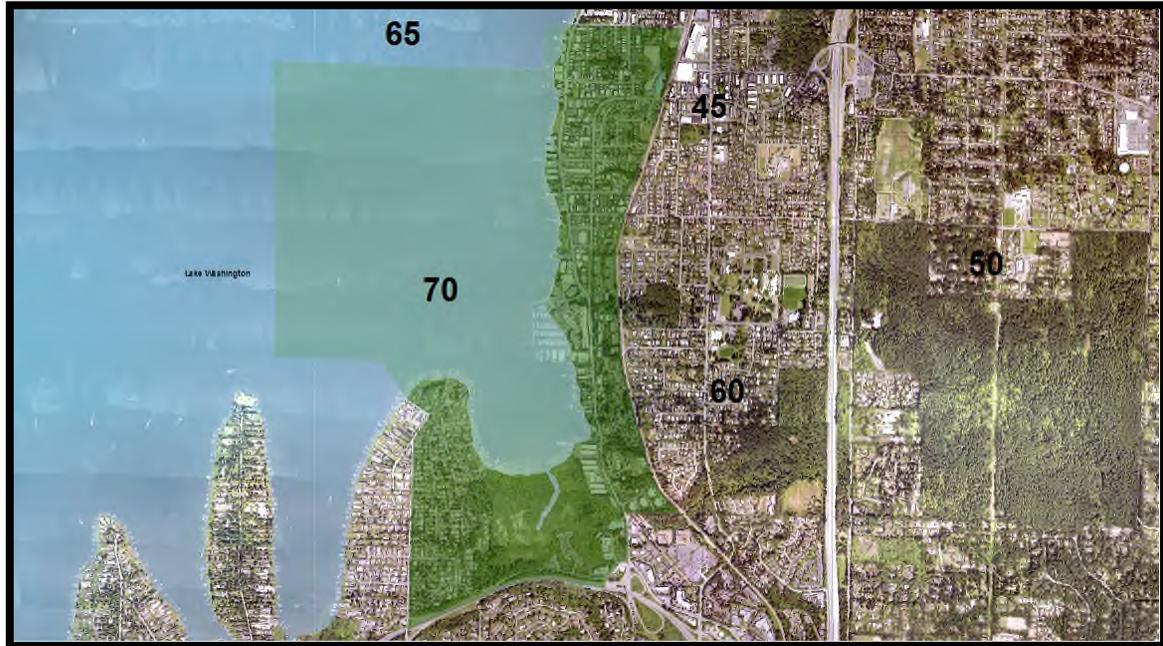


Voda Apartments- #124450-0330

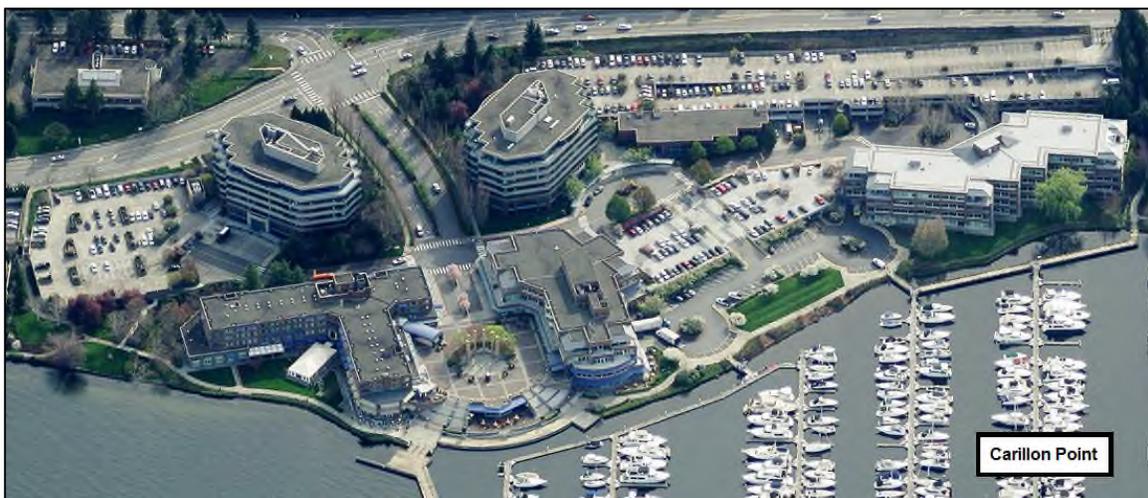
## Yarrow Bay/Carillon Pt: Area 85-70

### Neighborhood 85-70 Boundaries:

- North – 7<sup>th</sup> Avenue S
- South – State Route 520 and Bellevue
- East – Burlington Northern Railroad (Cross Kirkland Corridor)
- West – Lake Washington



**Neighborhood Description:** The predominant commercial land uses within this neighborhood include a mixture of neighborhood retail buildings, mid-rise professional office buildings, apartments, and condominiums. Major “Class A” office developments within this area include Carillon Point, Lake Washington Park, The Plaza at Yarrow Bay, and Waterfront Place office.

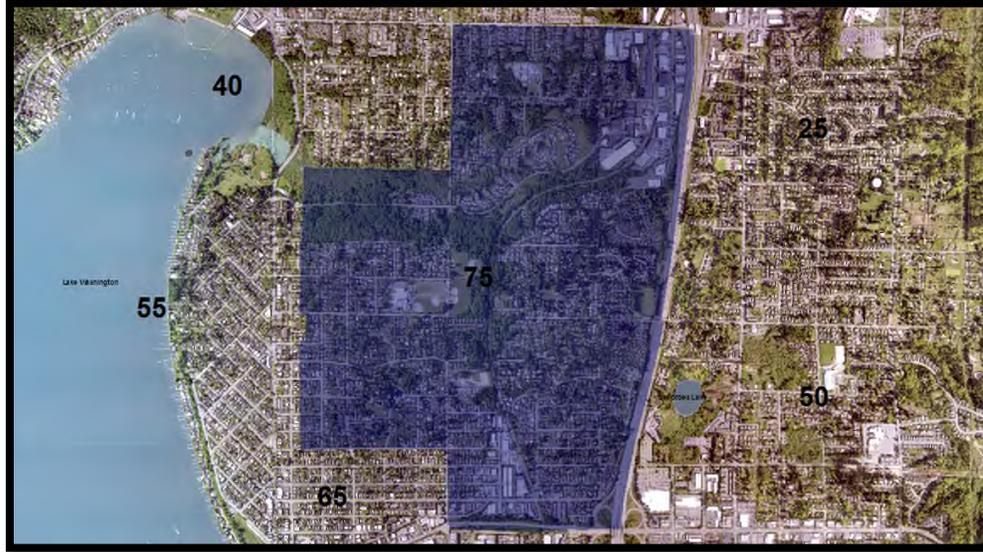


Carillon Point- #172505-9058

## Norkirk/Highlands: Area 85-75

### Neighborhood 85-75 Boundaries:

- North – NE 116<sup>th</sup> Street
- South – NE 85<sup>th</sup> Street
- East – Interstate 405
- West – 108<sup>th</sup> Avenue NE (North)/ 1<sup>st</sup> Street (Center)/6<sup>th</sup> Street (South)



**Neighborhood Description:** The predominant commercial land uses within this neighborhood include a mixture of small neighborhood low-rise office buildings and light industrial manufacturing buildings. Very little new construction has occurred in this neighborhood recently and sales of industrial properties have been limited.

Area 85-75 contains two distinct industrial areas, both of which align along the paved hiking trail of the former BNSF railway. The first and most prominent is at the northeast of the area which features larger business park style industrial developments. The second smaller section is a triangle at the south end of the neighborhood. This vicinity features smaller scale, often times owner user light industrial and warehouse buildings. This area is adjacent to an older residential neighborhood and some of the parcels actually lie in the LIT (Light Industrial) zoned triangle. Some older homes have been purchased over the last 6 years for re-development to a more conforming use.

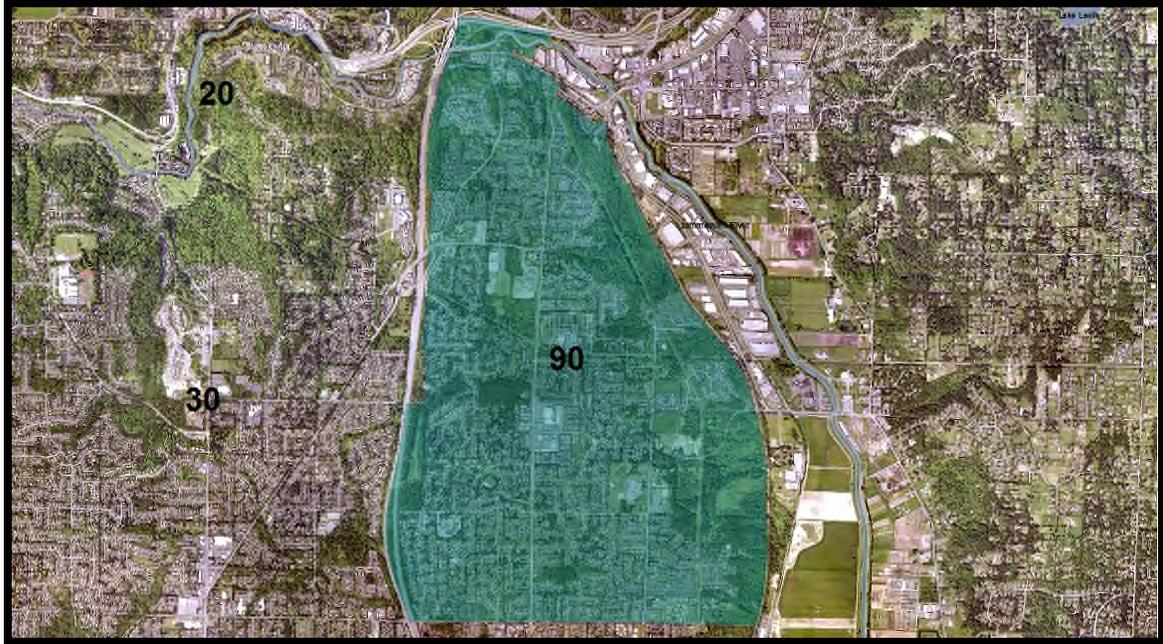


City of Kirkland Public Works- #388580-5255

## Kingsgate: Area 85-90

### Neighborhood 85-90 Boundaries:

- North – NE 169<sup>th</sup> Street
- South – NE 132<sup>nd</sup> Street
- East – Eastside Rail Corridor
- West – Interstate 405



**Neighborhood Description:** The commercial land uses within this neighborhood are a mixture of retail, office, and multi-family uses. The improvements built in neighborhood 85-90 are generally older with most buildings constructed between 1965 and 1985. The Kingsgate shopping center is the major commercial retail area in this neighborhood.



Kingsgate Shopping Plaza- #387646-0020

## **Physical Inspection Area**

WAC 458-07-015 requires each property to be physically inspected at least once during a 6 year revaluation cycle. At a minimum, an exterior observation of the properties is made to verify the accuracy and completeness of property characteristic data that affect value. Property records are updated in accordance with the findings of the physical inspection. The Area 85-25 E Totem Lake with 150 parcels and Area 85-30 Finn Hill/N Juanita with 78 parcels were physically inspected for the 2018 assessment year. This inspection area comprises Kirkland for a total of 228 parcels or 14.42% of the 1,581 total parcels located in Area 85 (not including specialties). A list of the physically inspected parcels is included in the addendum of this report.

## **Scope of Data**

**Land Value Data:** Vacant sales from 1/01/2015 to 12/31/2017 were given primary consideration for valuing land. Multi-parcel sales were also considered after combining the various aspects of all parcels involved in the sale. Since January of 2015, there were 74 land sales that were considered in Area 85. The sales verified as “good” were coded “Y” in the Assessor’s records. There were 55 good land sales.

**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**

Within Geographic Area 85, there are 55 verified commercial land sales that occurred during the last three years that were utilized for the 2018 revalue. This is an increase from the 22 verified sale transactions utilized for the 2017 revalue. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. 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. In some neighborhoods, new commercial development sites are being created through the demolition of existing single family residences located on commercially zoned lots and through the demolition of older commercial and multi-family buildings.

The primary unit of comparison considered was based on price per square foot of land area. “Shell” sales, interim use sales, tear down sales, and land transactions that included plans and permits 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.

The total recommended assessed land value for the 2018 assessment year is \$4,941,377,600. Overall land values in Area 85 increased 5.81%. The strongest increases occurred in Bothell (Area 85-20: 11.38%), CBD Kirkland (Area 85-65: 9.48%), and Market Street (Area 85-55: 9.17%). The preceding totals include all taxable and nontaxable parcels in Area 85.

Change in Assessed Land Value by Area				
Area	Land Value 2017	Land Value 2018	Change	% Change
85-10	\$293,354,200	\$294,637,600	\$1,283,400	0.44%
85-15	\$312,367,900	\$326,989,000	\$14,621,100	4.68%
85-20	\$393,042,100	\$437,754,700	\$44,712,600	11.38%
85-25	\$492,185,400	\$525,226,800	\$33,041,400	6.71%
85-30	\$314,888,000	\$331,515,600	\$16,627,600	5.28%
85-35	\$189,703,100	\$198,367,300	\$8,664,200	4.57%
85-40	\$347,214,300	\$358,755,700	\$11,541,400	3.32%
85-45	\$307,505,200	\$321,338,600	\$13,833,400	4.50%
85-50	\$339,049,900	\$354,140,900	\$15,091,000	4.45%
85-55	\$65,744,600	\$71,771,600	\$6,027,000	9.17%
85-60	\$89,013,800	\$89,123,500	\$109,700	0.12%
85-65	\$654,529,800	\$716,582,500	\$62,052,700	9.48%
85-70	\$575,004,900	\$607,838,500	\$32,833,600	5.71%
85-75	\$155,112,700	\$160,467,100	\$5,354,400	3.45%
85-90	\$141,261,200	\$146,868,200	\$5,607,000	3.97%
<b>Totals</b>	<b>\$4,669,977,100</b>	<b>\$4,941,377,600</b>	<b>\$271,400,500</b>	<b>5.81%</b>

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

### Neighborhoods and Sales

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

#### Area 85-10- Lake Forest Park

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	10	674470	0820	33,530	2887659	\$475,000	07/17/17	\$14.17	RS 7200	Vacant Lot

**E# 2887659** – Location of this sale is at Beach Dr. NE, sold @ \$475,000 on 7/17/17. Zoning is RS 7200 allowing one unit per 7,200 sf lot area. This site was vacant at the time of sale and has moderate sloping site. It does not have lake frontage but does have a view of Lake Washington.

## Area 85-15 Kenmore Area

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	15	011410	0650	15,964	2781626	\$600,000	02/22/16	\$37.58	DC	Change in Use
85	15	011410	0657	25,272	2885456	\$850,000	08/23/17	\$33.63	DC	Vacant Lot
85	15	011410	0961	24,000	2866967	\$710,000	05/26/17	\$29.58	R18	Change in Use
85	15	112604	9153	19,172	2792745	\$1,500,000	04/28/16	\$78.24	RB	Change in Use
85	15	794630	0035	17,250	2712244	\$950,000	01/20/15	\$55.07	RB	Change in Use

**E# 2781626** – This sale is located at 7211 NE 181<sup>st</sup> St and sold @ \$600,000 or \$37.58/sf on 2/22/16. Zoning is DC Downtown Commercial with 60’ to 80’ height limit. This site is one block north of NE Bothell Way and 73<sup>rd</sup> Ave NE. It is across the street from Kenmore’s fire station.

**E# 2885456** – The sale is in the middle of the block on 73<sup>rd</sup> Ave NE on the west side of the street. Zoning is DC Downtown Commercial. This site is irregularly shaped and is level. It is across the street from the fire station. This property sold for \$850,000 on 8/23/17.

**E# 2866967** – This sale property is located on 18138 73<sup>rd</sup> Ave NE and sold @ \$710,000 on 5/26/17. Zoning is R18 Residential w/18 dwellings per acre. This site has a wetland at the rear of the lot and the owner is planning on developing it into 10 townhouses consisting of 2 bedrooms and 2.5 baths with 2 car garages and 1,200 sf of livable area per unit.

**E# 2792745** – This sale property is located on 6705 NE 175<sup>th</sup> St and sold @ \$1,500,000 on 4/28/16. Zoning is RB Regional Business with 35’ height limit for retail, wholesale, and services. This site borders the Lakepointe development and is considered a land sale.

**E# 2712244** – This sale property is located on 6251 NE Bothell Way and sold @ \$950,000 or \$55.07/sf on 1/20/15. Zoning is RB Regional Business with 35’ height limit for retail, wholesale, and services. This site has a good view of Lake Washington and frontage on NE Bothell Way exhibiting good exposure on a heavy traffic street.

## Area 85-20 – Bothell

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	20	052605	9060	42,324	2773163	\$900,000	12/17/15	\$21.26	GDC	Vacant Lot
85	20	052605	9081	16,180	2780134	\$500,000	02/10/16	\$30.90	GDC	Vacant Lot
85	20	052605	9095	12,242	2773164	\$350,000	12/14/15	\$28.59	GDC	Change in Use
85	20	052605	9142	19,761	2796859	\$825,000	05/07/16	\$41.75	GDC	Change in Use
85	20	052605	9190	15,035	2895631	\$573,200	10/13/17	\$38.12	GDC	Change in Use
85	20	062605	9038	29,679	2756969	\$645,000	09/16/15	\$21.73	GDC	Vacant Lot
85	20	072605	9005	93,469	2847648	\$8,550,000	02/02/17	\$91.47	DT	Change in Use
85	20	072605	9111	38,980	2857569	\$2,625,000	04/03/17	\$67.34	DN	Change in Use
85	20	072605	9176	59,677	2858309	\$1,595,000	03/29/17	\$26.73	R2800OpCB	Change in Use
85	20	072605	9180	21,997	2748618	\$2,375,000	08/04/15	\$107.97	DC	Change in Use
85	20	072605	9202	21,073	2882014	\$475,000	08/03/17	\$22.54	522	Vacant Lot
85	20	082605	9050	34,050	2765513	\$975,000	10/30/15	\$28.63	R2800,OP	Change in Use
85	20	082605	9350	28,605	2886456	\$290,000	08/29/17	\$10.14	522	Vacant Lot
85	20	096700	0036	12,588	2884171	\$995,000	08/17/17	\$79.04	DC	Vacant Lot
85	20	096700	0370	21,606	2809496	\$1,813,202	07/11/16	\$83.92	DN	Vacant Lot
85	20	096700	0385	7,200	2809491	\$750,000	07/14/16	\$104.17	DN	Change in Use
85	20	096700	0405	7,200	2851836	\$750,000	03/01/17	\$104.17	DN	Change in Use
85	20	096700	0410	7,200	2873314	\$750,000	06/23/17	\$104.17	DN	Change in Use
85	20	096700	0415	8,400	2871115	\$750,000	06/13/17	\$89.29	DN	Change in Use
85	20	096700	0420	6,000	2898241	\$730,000	10/11/17	\$121.67	DN	Change in Use
85	20	096700	0430	7,080	2877641	\$1,100,000	07/13/17	\$155.37	DN	Change in Use
85	20	096700	0431	3,000	2800318	\$600,000	06/02/16	\$200.00	DN	Change in Use
85	20	097000	0015	46,800	2851711	\$6,600,000	02/28/17	\$141.03	DT	Change in Use
85	20	255750	0100	23,995	2890703	\$250,000	09/20/17	\$10.42	R5400a OP	Vacant Lot

**E# 2773163** – The property located at 188xx Beardslee Blvd and sold @ \$900,000 or \$21.26/sf on 12/17/15. This is a multi-parcel sale with frontage on Beardslee Blvd and it is an upsloping site to the rear with a territorial view to the southeast. Zoning is GDC General Downtown Corridor.

**E# 2780134**- Parcel is located at 110xx Beardslee Blvd, which is a vacant site that sold for \$500,000 or \$30.90/sf on 2/10/16. Zoning is GDC General Downtown Corridor. It is a corner site with good visibility and heavy traffic.

**E# 2773164** - This sale property is located at 18821 Beardslee Blvd and sold @ \$350,000 or \$28.59/sf on 12/14/15. This property has a single family residence, which is a tear down on a triangular site with good frontage on Beardslee Blvd. The improvements are valued at \$1,000 by the Assessor. This neighborhood is being redeveloped into hotels, apartments, restaurants, and offices due to its proximity to UW Bothell campus. This site has a territorial view to the southeast.

**E# 2796859** – Parcel is located at 18705 Beardslee Blvd and sold @ \$825,000 on 5/7/16. This is a single parcel sale of vacant land of a slightly irregular site and is next to an office building. Zoning is GDC General Downtown Corridor.

**E# 2895631** – The property located at 18825 Beardslee Blvd sold @ \$573,200 on 10/13/17. This site is located east of downtown Bothell where there is major redevelopment in progress. It is an interior site with limited visibility and heavy traffic. Zoning is GDC General Downtown Corridor. This property consists of one parcel with good potential for redevelopment.

**E# 2756969**– Located at 9611 NE 191<sup>st</sup> St and sold @ \$645,000 on 9/16/15. This property is vacant land. Zoning is GDC General Downtown Corridor.

**E# 2847648** – Located at the NE corner of NE 182<sup>nd</sup> St and 96<sup>th</sup> Ave NE and sold @ \$8,550,000 on 2/2/17. Zoning is DT Downtown Transition. It was improved by the old library which has been since torn down.

**E# 2857569** – Parcel is located at 18317 98<sup>th</sup> Ave NE and sold @ \$2,625,000 on 4/3/17. This is a vacant parcel. Zoning is DN Downtown Neighborhood.

**E# 2858309** – The property located at 8826 NE Bothell Way and sold @ \$1,595,000 on 3/29/17. This is a single parcel sale with frontage on NE Bothell Way and it is an upsloping site to the rear with a territorial view to the south. Zoning is R 2800, OP, CB which allows 1 residential unit per 2,800 sf or Office Professional and Community Business uses.

**E# 2748618** - This parcel is located at 18504 Bothell Way NE, which is an improved site consisting of 4 parcels that sold for \$2,375,000 on 8/4/15. DC zoning is downtown commercial. It is a corner site with good visibility and heavy traffic.

**E# 2882014** – Parcel is located at 17322 Bothell Way NE and sold @ \$475,000 on 8/3/17. This is a single parcel sale of vacant land of a slightly irregular site and is next to retail and condominiums. Zoning is 522- SR 522 Corridor.

**E# 2765513** – The property located at 10420 E Riverside Drive sold @ \$975,000 on 10/30/15. This site is located near downtown Bothell where there is major redevelopment in progress. It is an interior site with moderate traffic. Zoning is R 2800, OP, CB- which allows 1 residential unit per 2,800 sf, or Office Professional and Community Business uses.

**E# 2886456**– Located at Woodinville Drive a block east the road turns into State Route 522 and sold @ \$290,000 on 8/29/17. This property is vacant land with a steep upslope. Zoning is 522-SR 522 Corridor.

**E# 2884171** – This property is located at 101xx Main St and sold @ \$995,000 on 8/17/17. The property was destroyed by a fire. It was the Bothell Mall and the fire originated in the Mercantile Apartments across the street. DC zoning is downtown commercial. It is a vacant corner site.

**E# 2809496** – Parcel is located at 18420 102<sup>nd</sup> Ave NE and sold @ \$1,813,202 on 7/11/16. This is vacant parcel on the southeast corner of NE 185<sup>th</sup> St and NE 102<sup>nd</sup> Ave NE. Zoning is DN Downtown Neighborhood. Purchaser is the same party as E# 2809491.

**E# 2809491** – Parcel is located at 10309 NE 185<sup>th</sup> St and sold @ \$750,000 on 7/14/16. This parcel was improved with an old single family residence that has since been razed for a new apartment project. Four parcels have been merged to create a larger parcel for the construction of 135 apartment units. Zoning is DN Downtown Neighborhood. Purchaser is the same party as E# 2809496.

**E# 2851836** – The property located at 10230 NE 183<sup>rd</sup> St and sold @ \$750,000 on 3/1/17. This is a single-parcel sale with frontage on NE 183<sup>rd</sup> St and it is a level. Zoning is DN Downtown Neighborhood. Purchaser is the same party as E# 2873314, 2871115, & 2898241.

**E# 2873314**- Parcel is located at 10222 NE 183<sup>rd</sup> St, which is a single family residence converted into an office that sold for \$750,000 on 6/23/17. Zoning is DN Downtown Neighborhood. It is an interior site with good visibility and moderate traffic. Purchaser is the same party as E# 2851836, 2871115, & 2898241.

**E# 2871115** - This sale property is located at 10216 Fir St and sold @ \$750,000 on 6/13/17. This property has a single family residence converted into a hair salon. This neighborhood is being redeveloped into apartments, restaurants, and offices due to proximity to downtown Bothell. Zoning is DN Downtown Neighborhood. Purchaser is the same party as E# 2873314, 2851836, & 2898241.

**E# 2898241** – Parcel is located at 10208 NE 183<sup>rd</sup> St and sold @ \$730,000 on 10/11/17. This is a single-parcel sale of an office building. Purchaser is the same party as E# 2873314, 2871115, & 2851836. Zoning is DN Downtown Neighborhood.

**E# 2877641** – The property located at 18414 103<sup>rd</sup> Ave NE sold @ \$1,100,000 on 7/13/17. This site is located in downtown Bothell where there is major redevelopment in progress. It is an interior site with good visibility and heavy traffic. This property consists of one parcel with good potential for redevelopment. Zoning is DN Downtown Neighborhood.

**E# 2800318** – Parcel is located at 18422 103<sup>rd</sup> Ave NE and sold @ \$600,000 on 6/2/16. This is an office building and it is a corner site. Zoning is DN Downtown Neighborhood.

**E# 2851711** – The property located at NE 186<sup>th</sup> St and sold @ \$6,600,000 on 2/28/17. This is a multi-parcel sale with frontage on NE 186<sup>th</sup> St and it is a level site. Zoning is DT Downtown Transition.

**E# 2890703**- Parcel is located at 19920 Bothell Way NE, which is a vacant site that sold for \$250,000 on 9/20/17. Zoning is R 5400a, OP -Residential with 5,400 sf of site per unit and/or Office Professional. It is an interior site with good visibility and heavy traffic.

## Area 85-25 – East Totem Lake

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	25	282605	9010	37,701	2901485	\$4,400,000	11/03/17	\$116.71	TL-2	Change in Use
85	25	282605	9024	27,878	2839832	\$700,000	12/14/16	\$25.11	RM 1.8	Change in Use
85	25	282605	9220	45,526	2889263	\$8,219,750	09/13/17	\$180.55	TL-1A	Change in Use
85	25	282605	9221	37,246	2889274	\$6,725,250	09/13/17	\$180.56	TL-1A	Change in Use
85	25	692840	0020	1,117,993	2725575	\$33,494,900	04/21/15	\$29.96	TL-2	Change in Use
85	25	692840	0035	25,001	2900231	\$3,100,000	11/07/17	\$124.00	TL-2	Change in Use
85	25	866335	0120	315,891	2772122	\$130,000	12/07/15	\$0.41	P	Vacant Lot
85	25	692840	0030	431,301	2905890	\$42,700,000	12/13/17	\$99.00	TL-2	Vacant Lot

**E# 2901485**– Located at 12525 Totem Lake Blvd NE and sold @ \$4,400,000 on 11/3/17. This property is improved with a retail building with good visibility from Interstate 405 and across the street from the lower Totem Lake Mall. Zoning TL-2 Totem Lake commercial zoning and it contains two parcels.

**E# 2839832** – Located at 12532 NE 117<sup>th</sup> PL and sold @ \$700,000 on 12/14/16. This property is improved with a single family residence that has been converted into an office building. Zoning is RM 1.8 Residential Multi-family.

**E# 2889263**- Located at 11821 NE 128<sup>th</sup> St and sold @ \$8,219,750 on 9/13/17. This property is improved with a medical office building that will be razed and replaced with a 339 unit apartment building which will include the adjoining property. The buyers decided to move forward with this project because of the redevelopment of the Totem Lake Mall. The site area is 45,526 sf @ \$180.55/sf of TL 1A zoned land. Purchaser is the same party as E# 2889274.

**E# 2889274**- Located at 11811 NE 128<sup>th</sup> St and sold @ \$6,725,250 on 9/13/17. This property is improved with a medical office building that will be razed and replaced with a 339 unit apartment building which will include the adjoining property. The buyers decided to move forward with this project because of the redevelopment of the Totem Lake Mall. This site area is 37,246 sf @ \$180.56/sf of TL 1A zoned land. Purchaser is the same party as E# 2889263.

**E# 2725575** – Sale property is located at 12600 Totem Lake Blvd and sold @ \$33,494,900 after being adjusting for the RCNLD of \$2,005,100 for the buildings that won't be razed. The buildings that will be retained are Car Toys, Ross, Famous Footware, and Auto Zone. The adjusted sale price is \$29.96/sf on 4/21/15. This is the sale of the Totem Lake Mall property excluding the two bank sites for Wells Fargo and Chase Bank on the upper northeastern parcel. The new mall will include up to one million square feet or more of office, retail, and multi-family space. There will be surface parking and parking structures. The site consists of 26 acres and Center Cal expects the construction to take several years and the build out will start in about one year with a cost of over \$200 million. Zoning is TL2 Totem Lake Two; a commercial property zoning.

**E# 2900231** – Parcel is located at 12560 120<sup>th</sup> Ave NE and sold @ \$3,100,000 on 11/7/17. This was a Wells Fargo bank branch site for the upper mall area and the developer purchased it in order to complete their redevelopment of the overall Upper Totem Lake Mall. Zoning is TL2 Totem Lake Two; a commercial property zoning.

**E# 2772122** – This property is located at 12509 130<sup>th</sup> Ln NE and sold @ \$130,000 or \$1.65/sf of buildable land area of 78,973 sf on 12/7/15. This is a vacant site with sloping terrain and about 75% is not buildable. Zoning is P Park/Open Space. The northern 2/3 is dedicated protected conservation easement, which allows no development. The majority of the property is impacted by steep slopes. There are also some wetland areas on this site.

**E# 2905890** – Parcel is located at 12500 120<sup>th</sup> Ave NE and sold @ \$42,700,000 on 12/13/17 to Fairfield. This was the primary upper Totem Lake Mall site and a developer purchased it in order to complete the redevelopment of the Upper Totem Lake Mall with 655 apartments. After Fairfield completes their portion they will sell the non-residential portion back to VTL to complete the non-residential portion. Zoning is TL2 Totem Lake Two; a commercial property zoning. This multi-parcel sale included parcels 692840-0030 and 0035, excluding only the Chase Bank site on the corner and both site are now vacant.

**Area 85-30 – Finn Hill/North Juanita**

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	30	202605	9036	19,443	2879269	\$1,100,000	07/23/17	\$56.58	BC1	Change in Use

**E# 2879269** – This property is located at 13604 100<sup>th</sup> Ave NE and sold @ \$1,100,000 on 7/23/17. This is an improved site that has level topography. Zoning is BC-1 Community Business. The site is rectangular in shape and located on a moderate traffic street with good visibility. It appears that the land will be redeveloped.

**Area 85-35 – West Totem Lake**

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	35	282605	9085	533,647	2867379	\$23,500,000	05/26/17	\$44.04	TL 10B	Vacant lot

**E# 2867379** – This property is located on NE 116<sup>th</sup> St west of I-405 and sold @ \$23,500,000 on 5/26/17. This is a two parcel site with a church improvement that will be replaced with an apartment building. Zoning is TL 10B Totem Lake Commercial. The southern portion of the site has sloping topography and likely will remain undeveloped.

**Area 85-40 - Juanita**

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	40	141330	0035	11,125	2902103	\$350,000	11/07/17	\$31.46	RMA 1.8	Vacant lot
85	40	919410	0015	149,050	2716012	\$3,190,000	02/05/15	\$21.40	RSX 7.2	Change in Use

**E# 2902103** – This property is located at 91<sup>st</sup> Ave NE and one lot north of NE 116<sup>th</sup> Pl and sold for @ \$350,000 on 11/7/17. This is a vacant site with sloping terrain. Zoning is RMA 1.8 Multi-Family Residential.

**E# 2716012** – This parcel is located at 12342 93<sup>rd</sup> Ln NE and sold @ \$3,190,000 or \$21.40/sf on 2/5/15. This is a manufactured home park containing 31 pads on one cul-de-sac off of NE 124<sup>th</sup> St. Zoning is RSX 7.2 single family residential zone requiring 7,200 sf per dwelling. The potential number of units for the site is rounded to 21, which indicates a price per potential site at \$151,905/site and it was a land sale.

**Area 85-45 – North Houghton/Everest**

Area 85-45 is known as N Houghton/Everest area of Kirkland, which is home to Google and includes Everest Park. There have been no land sales in this market area since 2014. This area is a primarily residential neighborhood with limited commercial zoned land.

## Area 85-50 – South Rose Hill

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	50	124190	0013	13,850	2780682	\$800,000	02/12/16	\$57.76	RH8	Change in Use
85	50	388810	0220	18,157	2865085	\$872,000	05/04/17	\$48.03	RSX 7.2	Change in Use

**E# 2780682** – This property is located at 12832 NE 85<sup>th</sup> St and sold @ \$800,000 on 2/12/16. This is an office building that appears slated for redevelopment. Zoning is RH 8- Rose Hill Commercial.

**E# 2865085** – This parcel is located at 9752 130<sup>th</sup> Ave NE and sold @ \$872,000 on 5/4/17. This is a single family residence with a garage/warehouse and it is planned for redevelopment. Zoning is RSX 7.2 single family residential zone requiring 7,200 sf per dwelling. The potential number of units for the site is rounded to two, which indicates a price per potential site at \$436,000/site and it was a land sale.

## Area 85-55 – Market Street

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	55	388580	1015	5,308	2816024	\$815,000	08/16/16	\$153.54	MSC 1	Change in Use

**E# 2816024** – This property is located at 801 Market St and sold @ \$815,000 on 8/16/16. This is an improved site that appears to be slated for redevelopment. Zoning is MSC 1 Market Street Commercial. This site is triangular in shape with good visibility and moderate traffic arterial. The current improvements have limited assessed value.

## Area 85-60 – South Houghton

Area 85-60 is at the southern portion of Kirkland and includes Northwest College. There are several office and industrial properties in this area. There have been no land sales in this neighborhood since 2013.

## Area 85-65 – Kirkland CBD

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	65	124450	0330	41,995	2721533	\$12,000,000	03/30/15	\$285.75	CBD 1B	Change in Use
85	65	388580	7975	10,200	2775854	\$1,550,000	01/12/16	\$151.96	RS 5.0	Seg/Merge after sale
85	65	390010	0805	19,074	2727576	\$2,600,000	03/25/15	\$136.31	PLA 7B	Change in Use

**E# 2721533** – This property is located at 113 3<sup>rd</sup> St and sold @ \$12,000,000 or \$285.75/sf on 3/30/15. It is a street to street site from Main St to 3<sup>rd</sup> St and south of Park Ln. This property is located in the Central Business District of Kirkland. Across 3<sup>rd</sup> St are the Peter Kirk sport field and library. The 1-story retail building constructed in 1951 was torn down and replaced with a 5-story mixed use building consisting of commercial on the ground level and four stories of multi-family residences above. Zoning is CBD 1B Central Business District part of subzone 1B.

**E# 2775854** – This parcel is located at 139 & 143 7<sup>th</sup> Ave at the southwest corner of 2<sup>nd</sup> Street resulted in two sites due to a lot split and slated for development into two single family residences. Minimum site area is 5,000 sf per single family residence.

**E# 2727576** – Sale property is located at 230 4<sup>th</sup> Avenue and sold @ \$2,600,000 or \$136.31/sf on 3/25/15. This sale contains two interior sites with an alley at the rear. The future use is to be

improved with a 12 unit condominium and there are four-units currently on each site. The zoning is PLA 7B Planned Area Development.

### Area 85-70 – Yarrow Bay/Carillon Pt

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	70	347180	0085	21,391	2847019	\$3,000,000	01/31/17	\$140.25	PR 3.6	Vacant lot
85	70	788260	0512	14,090	2717091	\$1,050,000	02/23/15	\$74.52	RM 3.6	Vacant lot
85	70	788260	0550	32,130	2732920	\$2,700,000	05/22/15	\$84.03	RS 5.0	Seg/Merge after sale
85	70	935490	0220	52,600	2883200	\$10,100,000	08/09/17	\$192.02	BN	Vacant lot

**E# 2847019** – This property is located on NE 60<sup>th</sup> St and sold @ \$3,000,000 on 1/31/17. The subject’s site is on the southwest corner of Lakeview Drive and NE 60<sup>th</sup> St. Zoning is PR 3.6 Multi-Family Residential with one unit per 3,600 sf of site area.

**E# 2717091** – Sale property is located at 1016 State St and sold on 2/23/15 for \$1,050,000. It has not been short platted yet. The construction permit was issued on 6/7/16 and all four condominiums sold between 9/17 to 11/17 and the unit sales ranged from \$1,600,000 to \$1,648,000.

**E# 2732920** – This parcel is located at 6504 103<sup>rd</sup> Ave NE and permits have been issued for a new residence. Minimum site area is 5,000 sf per single family residence with RS 5.0 zoning.

**E# 2883200** – Sale property is located Lake St S and 10<sup>th</sup> Ave S and sold @ \$10,100,000 on 8/9/17. This sale contains three parcels. The future use is to be improved with a mixed use project consisting of apartments and retail.

### Area 85-75 – Norkirk/Highlands

Area	Nbhd.	Major	Minor	Land Area	Excise #	Sale Price	Sale Date	SP / Land Area	Zone	Remarks
85	75	332605	9152	181656	2864743	\$9,300,000	5/16/2017	\$51.20	TL-10C	Change in Use
85	75	388690	1615	16,820	2777056	\$1,299,500	01/15/16	\$77.26	RM 3.6	Change in Use
85	75	388690	1905	20,893	2839523	\$2,160,000	12/08/16	\$103.38	RM 3.6	Vacant Lot

**E# 2864743** – Located at 11801 NE 116<sup>th</sup> St, which is an interior site and the buyer plans on developing 82 single family residences on the site. This property has convenient access to Interstate 405 and Totem Lake is north of this parcel. The buyer will be demolishing the existing Light Industrial Manufacturing building that is currently on site. The property is zoned TL 10C.

**E# 2777056** – Located at 11305 NE 88<sup>th</sup> Street on an interior parcel. It is located in a residential market area. It sold for \$1,299,500 or \$77.26/sf on 1/15/16.

**E# 2839523** – Sale property is located at NE 87<sup>th</sup> St just west of I-405 and sold @ \$2,160,000 on 12/8/16. This sale contains two interior sites and a corner site for a total of three parcels. Six townhouses have been proposed for this site.

### Area 85-90 – Kingsgate

Area 85-90 is primarily a residential market area in the northeastern section of Kirkland. It features neighborhood retail and multi-family developments. There have been no land sales in this market area since 2013. The development of the Totem Lake Mall should have a positive effect on this neighborhood due to affordable rental rates.

The following table summarizes the land valuation model as it was applied to the properties in Area 85. 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. Included after the following table are descriptions of zoning designations pertaining to this market area.

Typical Land Value Ranges						
By Neighborhood and Land Use						
2018 Revaluation						
Area 85 Neighborhoods	Multi-Family Land Uses		Commercial Land Uses		Industrial Land Uses	
	Zoning Designation	\$/SF Range	Zoning Designation	\$/SF Range	Zoning Designation	\$/SF Range
85-10 Lake Forest Pk	RS7200, RS9600, RS15000	\$12 - \$31	CC	\$20 - \$30		
	RM900, RM2400, RM3600	\$29 - \$54	TC	\$31 - \$41		
85-10 Shoreline	R6, R12	\$14 - \$26	SG-C	\$29 - \$48		
	R18, R24, R48	\$14 - \$45	CB, CZ, MB, NB	\$13 - \$44		
85-15 Kenmore	R-1, R6, R12	\$10 - \$29	DC, DR, CB	\$15 - \$37		
	R24, R4, R6	\$9 - \$39	NB	\$27 - \$31		
85-20 Bothell	R-2800, R-2800/OP, R-4000,	\$20 - \$35	522, GDC	\$10 - \$40		
	R-5400a OP, R-7200	\$10 - \$30	DC, DN	\$18 - \$80		
	R-8400, R-9600, R-9600 SSHO	\$6 - \$30	DT, GC	\$18 - \$41		
85-25 East Totem Lake	RSX 7.2	\$15 - \$17	PLA14, PR 1.8	\$7 - \$31	TL 7	\$22 - \$29
	RM 1.8, RM 2.4, RM 3.6, R4	\$17 - \$37	TL 1A, 1B, 2, 4A, 5, 6A, 8	\$12 - \$37	TL 9A	\$20 - \$23
85-30 Finn Hill/ North Juanita	RM5.0	\$24 - \$24	NRH 1A, 1B, 2, 3, 4, 5	\$16 - \$31		
	RMA 1.8, 2.4, 3.6, 5.0; PRA 1.8	\$15 - \$29	BNA, BC 1	\$25 - \$34		
	RSA 4, 6, 8; R-AC.OP,NB	\$9 - \$29	PRA 1.8	\$16 - \$28		
85-35 W Totem Lake	R 7200, R 9600	\$7 - \$13	NB	\$15 - \$29		
	R5400a, R2800, R12, R18	\$10 - \$27	R-AC,OP,NB	\$8 - \$27		
	PR 1.8, 3.6, RM 1.8, 3.6, 5.0	\$16 - \$29	TL 4B, 4C, 6B	\$18 - \$37		
85-40 Juanita	TL 10A, B, TL 11	\$22 - \$32				
	RM 1.8, 2.4, 3.6, RMA 1.8, 3.6, 5.0	\$13 - \$50	BNA	\$24 - \$27		
	RS 8.5	\$20 - \$27	JBD 1, 4, 5	\$17 - \$60		
	RSA 4, 6, 8	\$10 - \$41	JBD 2	\$37 - \$50		
	RSX 7.2	\$14 - \$30	JBD 3, 6	\$30 - \$44		
85-45 Houghton/ South Kirkland	PR 2.4, 3.6	\$21 - \$30	PR 2.4, 3.6	\$21 - \$30		
	PLA 5A, 5D, 5E	\$70 - \$76	BC	\$45 - \$71	LIT	\$20 - \$70
	RM 3.6, 5.0	\$16 - \$80	PLA 5B, 5C	\$85 - \$105		
85-50 East Kirkland	PO, PR 3.6, 5.0	\$70 - \$72				
	PLA 16	\$7 - \$15	BCX, BN, NC2	\$28 - \$31	LIT	\$26 - \$30
	PLA 17, 17A	\$20 - \$46	PR 3.6	\$20 - \$50		
	RM 1.8, 2.4, 3.6	\$16 - \$50	RH 1A, 1B, 2A, 2B 2C	\$15 - \$55		
85-55 NW Kirkland	RS 12.5, 7.2, 8.5, RSX 35, 7.2	\$6 - \$23	RH 3, 5A, 5B, 5C, 7, 8	\$30 - \$53		
	RS 5.0, 7.2	\$50 - \$86	MSC 1, 2, 3, 4	\$72 - \$89		
85-60 SE Kirkland	PLA 1	\$13 - \$15				
	RM 3.6	\$55 - \$70				
	RS 8.5, 12.5	\$14 - \$45				
85-65 Kirkland CBD	PLA 6A	\$90 - \$165	CBD 1, 1B, 2, 3, 4	\$76 - \$180	PLA 6G	\$33 - \$35
	PLA6D, 6E, 6G, 6I, 6J, 6K, 7A, 7B, 7C	\$65 - \$135	CBD 5, 6, 7	\$80 - \$125		
	RM3.6,RS 5.0, 7.2	\$50 - \$95	CBD 8	\$112 - \$150		
	**WD I	\$50 - \$95	PLA 6B, MSC 4, MSC1,3	\$80 - \$100		
85-70 SW Kirkland	PR 2.4	\$95 - \$110	PR 2.4	\$95 - \$110		
	PLA 15A,15B, 2,3B	\$32 - \$120	BN, PR 3.6, PR 8.5	\$65 - \$130	PLA 6G	\$39 - \$39
	RM 3.6, RS 12.5,RS8.5	\$30 - \$150	PLA 3B	\$62 - \$80		
85-75 NE Kirkland	**WD I, WD III	\$40 - \$112				
	PLA 5, 9	\$5 - \$9	TL 10C, 10D, 10E	\$13 - \$23	LIT	\$23 - \$35
	RM 3.6	\$52 - \$94				
85-90 Kingsgate	RS 7.2, 8.5	\$10 - \$23				
	R-AC,OP,NB	\$20 - \$31	BC 2; R-AC,OP,NB	\$20 - \$31		
	RMA 1.8, RMA 2.4, RMA 3.6,	\$14 - \$26				
	RSA 4, RSA 6	\$6 - \$24				

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

\*\*The unit of value measure for WD I and WD III sites is typically \$/SF of DRY area, or \$/front foot, producing a wide array of \$/SF area indications.

**ZONING DESIGNATIONS**

PER JURISDICTION OF AREA 85

Residential Land Uses		
Jurisdictions	Zoning Designation	Description
City of Bothell	R-2800	1DU per 2800SF NRA Bld
	R-2800/OP	1DU per 2800SF NRA Bld / Office
	R-4000	1DU per 4000SF NRA Bld
	R-5400a OP	1DU per 5400SF NRA Bld / Office
	R-7200	1DU per 7200SF NRA Bld
	R-8400	1DU per 8400SF NRA Bld
	R-9600	1DU per 9600SF NRA Bld
City of Bothell	R-9600 SSHO	1DU Per 9600SF NRA Bld/Senior Housing
	R-AC,OP,NB	Res, Office, Neighborhood Business
City of Lake Forest Park	RM800	Res Multi Family, min 900SF lot
	RM2400	Res Multi Family, min 2,400SF lot
	RM8600	Res Multi Family, min 3,600SF lot
	RS 7200	Res Single Family, min 7,200SF lot
	RS 9600	Res Single Family, min 9,600SF lot
	RS 15000	Res Single Family, min 15,000SF lot
City of Kenmore	SG-SF	Res Multi Family, min 2,178SF lot
	R1	Res Single Family, min 1 acre site
	R4	Res Single Family, min 10,890SF lot
	R6	Res Single Family, min 7,260SF lot
	R12	Res Single Family, min 3,630SF lot
	R18	1DU per 2,420SF Bld
	R24	1DU per 1,815SF Bld
R48	1DU per 908SF Bld	
	DR	MF 48-72/acre
City of Kirkland	RM/ RMA 1.8	Res Multi Family, min 1800SF Lot
	RM/ RMA 2.4	Res Multi Family, min 2400SF Lot
	RM/ RMA 3.6	Res Multi Family, min 3600SF Lot
	RM/ RMA 5.0	Res Multi Family, min 5000SF Lot
	PR/ PRA 1.8	Professional Office / Res , min 1800SF Lot
	PR/ PRA 2.4	Professional Office / Res , min 2400SF Lot
	PR/ PRA 3.6	Professional Office / Res , min 3600SF Lot
	RSA 4	Res Single Family, min 4000SF Lot
	RS 5.0	Res Low Density, min 5000SF Lot
	RS 7.2	Res Low Density, min 7200SF Lot
	RSA 6	Res Single Family, min 6000SF Lot
	RS/RSX 7.2	Res Single Family, min 7200SF Lot
	RSA 8	Res Single Family, min 8000SF Lot
	RS 8.5	Res Low Density, min 8500SF Lot
	RSA 8.5	Res Single Family, min 8500SF Lot
	RS 12.5	Res Single Family, min 12500SF Lot
	PLA 2	Planned Area 2 - Med Density Res
	PLA 3B	Planned Area 3B - Med Density Res
	PLA 6A	Planned Area 6A - High Density Res
	PLA 6C	Planned Area 6C - Low Density Res
	PLA 6D	Planned Area 6D - High Density Res
	PLA 6E	Planned Area 6E - High Density Res
	PLA 6F	Planned Area 6F - Med Density Res
	PLA 6I	Planned Area 6I - High Density Res
	PLA 7A	Planned Area 7A - High Density Res
	PLA 7B	Planned Area 7B - High Density Res
	PLA 7C	Planned Area 7C - Med Density Res
	PLA 5A	Planned Area 5A - High Density Res
	PLA 5D	Planned Area 5D - High Density Res
	PLA 5E	Planned Area 5E - High Density Res
	PLA 9	Planned Area 9 - Med Density Res
	PLA 15B	Planned Area 15B - Med Density Res
PLA 16	Planned Area 16 - Low Density Res	
PLA 17 / 17A	Planned Area 17(A) - Low Density Res	
WDI	Waterfront District I - Med Density Res	
WDIII	Waterfront District III - Med Density Res	
City of Shoreline	R6	Res Single Family, min 7,260SF lot
	R12	1DU per 3,630SF lot
	R18	1DU per 2,420SF lot
	R24	1DU per 2,420SF lot
	R48	1DU per 908SF lot

## ZONING DESIGNATIONS

PER JURISDICTION OF AREA 85

### Commercial Land Uses

Jurisdictions	Zoning Designation	Description
City of Bothell	522	Highway 522
	GC	General Commercial
	GDC	General Downtown Corridor
	DC	Downtown Commercial
	DN	Downtown Neighborhood
	DT	Downtown Transition
	R-AC, OP, CB, LI R-AC, OP, NB	Res, Office, Comm'l Business, Light Ind Res, Office, Neighborhood Business
City of Lake Forest Park	CC	Corridor Commercial
	SG-C	Southern Gateway Commercial
	SG-T	Southern Gateway Transition
	TC	Town Center
City of Kenmore	CB	Community Business
	DC	Downtown Commercial
	NB	Neighborhood Business
	UC	Urban Corridor
	P	Public and Private Facilities
	RB	Regional Business
City of Kirkland	CBD 1	Central Business District 1
	CBD 1B	Central Business District 1B
	CBD 2 - 8	Central Business District 2 - 8
	JBD 1 - 8	Juanita Beach District 1 - 8
	MSC 1	Market Street Corridor 1 - Office
	MSC 2	Market Street Corridor 2 - Commercial
	MSC 3	Market Street Corridor 3 - Commercial
	MSC 4	Market Street Corridor 4 - Office
	NRH 1A, 1B, 4	North Rose Hill 1A, 1B, 4 - Commercial
	NRH 2, 3, 5, 6	North Rose Hill 2, 3, 5, 6 - Office
	PLA 3B	Planned Area 3B
	PLA 5B	Planned Area 5B
	PLA 5C	Planned Area 5C
	PLA 6B	Planned Area 6B
	RH 1A, 1B, 2A, 2B, 2C, 3, 5A, 5B, 5C, 7	Rose Hill 1A, 1B, 2A, 2B, 2C, 3, 5A, 5B, 5C, 7 - Commercial
	RH 4, 8	Rose Hill 4, 8 - Office
	TL 1A	Totem Lake 1A - Office
	TL 1B	Totem Lake 1B - Office
	TL 2	Totem Lake 2 - Commercial
	TL 3A, 3B, 3C, 3D	Totem Lake 3A, 3B, 3C, 3D - Institutions
	TL 4A, 4B, 4C, 5, 6A, 6B, 8	Totem Lake 4A, 4B, 4C, 5, 6A, 6B, 8 - Commercial
	TL 10A, 10B, 10C, 10D, 10E, 11	Totem Lake 10A, 10B, 10C, 10D, 10E, 11 - Office
	BC/BCX	Business - Commercial
	BC 1	Business - Commercial 1
	BC 2	Business - Commercial 2
	BN/BNA	Neighborhood Business
	PO	Professional Office
	PR / PRA 1.8	Professional Office / Res , min 1800SF Lot
	PR 2.4	Professional Office / Res , min 2400SF Lot
	PR 3.6	Professional Office / Res , min 3600SF Lot
PR 5.0	Professional Office / Res , min 5000SF Lot	
PR 8.5	Professional Office / Res , min 8500SF Lot	
City of Shoreline	CB	Community Business
	MB	Mixed Business
	NB	Neighborhood Business
	TC	Town Center
	CZ	Mixed Use Contract Zone

ZONING DESIGNATIONS		
PER JURISDICTION OF AREA 85		
Industrial Land Uses		
Jurisdictions	Zoning Designation	Description
City of Bothell	R-AC, OP, CB, LI	Res, Office, Comm'l Business, Light Ind
City of Kirkland	LIT	Light Industrial
	PLA 6G	Industrial
	TL 7	TotemLake 7 - Industrial
	TL 9A	TotemLake 9A - Industrial

## 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 is the sum of the assessed values divided by the sum of the sales. 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.

A Preliminary Ratio Study was done just prior to the application of the 2018 recommended values. This study benchmarks the current assessment level using 2018 posted assessment values. The preliminary ratio analysis showed a weighted mean ratio, or appraisal level, of 80.10, a Coefficient of Dispersion (COD) of 12.42%, and a price-related differential (PRD) of 1.12. Compare these preliminary results to the International Association of Assessing Officers (IAAO) ratio study standards below.

RECOMMENDED IAAO STANDARDS ON RATIO STUDIES	
Appraisal Level	.90 to 1.10
Coefficient of Dispersion (COD)	5.0 to 20.0
Price Related Differential (PRD)	.98 to 1.03

The preliminary appraisal level falls below the IAAO standard and the COD also falls outside the acceptable range. COD is a measure of assessment uniformity, where the lower the number is, the greater the uniformity. PRD measures the differential between the arithmetic mean of ratios, and the weighted mean of ratios, where the sales prices themselves represent the weight. As the PRD approaches 1.0, there is a greater indication that specific property ratios of sale price to assessment level are falling within the acceptable range, rather than just the arithmetic mean of the entire population being in the acceptable range. Thus, property specific assessment level is being measured. These preliminary results indicated that the assessment level needed to be raised, the overall uniformity was not in line, and property specific assessments needed adjustment.

# Improved Parcel Total Values

## Current Economic Conditions

The regional economy, including the Eastside Market Area, has been steadily expanding. Employment growth has outpaced the national economy, with the strongest gains in construction and manufacturing. Commercial real estate sales transaction volume has increased and underlying economic fundamentals have improved. Fueled by the spike in demand for apartment housing, and the consequential tightening of vacancy rates and upward pressure on rental rates, development of new multi-family apartment projects is continuing at a fast pace. Much of the new construction in Area 85 over the last few years has been mixed use multi-family apartments with office and/or retail projects.

Capitalization rates remain low because investor sentiment is optimistic for other market segments such as industrial and office. As regional employment growth continues to be healthy, the office market has continued to strengthen with a number of sale transactions over the year. In addition, strong activity at the regional ports, coupled with an improvement in consumer demand, has made the industrial market one of the strongest commercial real estate markets in the area. With present low interest rates, many smaller companies are finding that it is financially advantageous to become an owner/user and purchase property for their business. As a result, there has been an increase in sales activity in the smaller industrial properties.

2017 Year End Metrics			
	Office	Retail	Industrial
Vacancy	↓	↓	↓
	decreasing	decreasing	decreasing
Rental Rate	↗	↗	↗
	(slight increase)	(slight increase)	(slight increase)
Capitalization Rate	↔	↔	↔
	stable	stable	stable
Improved Property Values	↑	↑	↑
	(increase)	(increase)	(increase)
Land Values	↑	↑	↑
	(increase)	(increase)	(increase)

## Market Sectors

Below follow discussion of individual market sector conditions. These are synopses of economic income parameters that are useful to the Assessor in valuation of improved properties in Area 85.

**Office Market Conditions:** The regional office market continues to improve to a point of relative stabilization, as evidenced by positive, but slowing overall absorption. The slowing absorption, along with stabilizing overall vacancy rates, has helped to spike average asking rates as well. In general, rental rates in the Eastside market area increased slightly while the vacancy rate is decreasing. It's reported that vacancy rates and rental rates have caused leasing concessions to decline in frequency and value.

Surveyed market reports indicate vacancy is below 5% and absorption is at a moderate level. The average asking rent gives a point of reference from where to start.

Office Market Statistic				
	Market	Direct	Net	Class A
	Size	Vacant %	Absorption	Asking Rates
I-405	2,865,871	4.6%	83,459	\$34.50
Kirkland	1,646,598	2.8%	(659)	\$44.38
North Seattle	2,399,627	4.2%	34,406	\$32.35

CBRE Office Marketview Q4 2017

**Retail Market Conditions:** The Seattle/Puget-Sound Region again experienced positive net absorption overall, except in North Seattle, and the overall vacancy rate dropped to below 1% for year-end 2017. The Eastside submarket general retail market showed positive absorption this year. The table below summarizes vacancy rates and quoted rent rates for general retail properties in market areas within Area 85.

Retail Market Statistic				
	Market	Direct	Net	Quoted
	Size	Vacancy %	Absorption	Rates
Bothell/Kenmore	2,121,847	0.3%	552	\$21.02
Kirkland	1,777,402	0.1%	3,342	\$33.13
North Seattle	3,592,532	1.2%	(26,175)	\$12.64

CoStar Group Inc Q4 2017

### **Industrial Market Conditions:**

The Eastside market area constitutes approximately 10% of the region's gross leasable area. Vacancy rates are very low with Kirkland at 3.9% and North Seattle at 2.2%. Further, the overall net absorption is positive.

Industrial Market Statistic			
	Market	Total	Net
	Size	Vacancy %	Absorption
Kirkland	2,435,420	3.9%	(8,317)
North Seattle	7,292,131	2.2%	37,848

CBRE Industrial Marketview Q4 2017

## Sales comparison approach model description

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

The improved sales used range in sale dates from 1/12/2015 to 12/8/2017. There were 76 improved sales in Area 85 that were considered as fair market transactions and used in the overall analysis. Of these, 65 were included in the ratio study. Examples of sales that are not included in the analysis are: sales that are leased back to the seller; sold as a portion of a bulk portfolio sale; net lease sales; non-representative specialty properties (e.g., churches, etc.); sales that had major renovation after sale, or have been segregated or merged since being purchased.

The four property types listed below were typically valued by the sales comparison approach when there were sufficient comparable sales available. The list presents the property type and the typical value per square foot range. The range is a function of property size, age, condition and specific neighborhood. When necessary, sales of similar property types from other market areas were considered.

Typical Value Parameters	
Property Type	Adjustment Range per SF
Single Family Conversions	\$200 - \$440
Service Building/Garages < 10,000 SF	\$135 - \$300
Offices < 10,000 SF	\$200 - \$475
Daycare Centers	\$185 - \$260

## Sales comparison calibration

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

## Cost approach model description

Cost estimates are automatically calculated via the Marshall & Swift Valuation modeling system. Depreciation was based on studies done by Marshall & Swift Valuation Service. Cost figures were adjusted to the western region and the Seattle area. Cost estimates were relied upon for valuing special use properties where comparable sales data and/or income and expense information is not available. These properties are typically exempt properties such as churches, schools, public utility buildings, and park improvements. Non-exempt buildings that are valued by the Cost method might be fraternal halls, daycares, and new or on-going construction.

## Cost calibration

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

## **Income capitalization approach model description**

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 85 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, Co-Star, 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 85, the Assessor used triple net expenses for retail/mixed-use and industrial type uses. For typical office/medical buildings, the assessor used full service gross expenses.

**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 Co-Star, Real Capital Analytics, The American Council of Life Insurance (Commercial Mortgage Commitments), Integra Realty Resources, Korpacz Real Estate Investor Survey (PWC), CBRE – National Investor Survey, etc. These sources typically have capitalization rates or ranges based on surveys or sales, 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.



**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
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
			-	8.25% - 9.00%	CBD – Economy
-	6.75% - 7.75%	Suburban – Luxury			
-	7.75% - 8.50%	Suburban – Full-Service			
-	7.75% - 8.50%	Suburban – Select-Service			
-	9.25% - 10.25%	Suburban – Economy			
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2017	Seattle	4.90%	-	Apartments – All Classes
			-	7.20%	Hotels – All Classes
		West Region	4.00% - 6.50%	-	Apartments – 1 <sup>st</sup> Tier Properties
			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% - - - - -	- - 4.50% - 7.20% 5.50% - 7.30% 6.50% - 7.30% - -	- - - - 5.00% - 7.00% 6.00% - 6.80% 5.30% - 7.00%	Office CBD – 1 <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
IRR: Viewpoint 2018 Commercial Real Estate Trends report	Yr. End 2017	National	6.68% 7.53% 7.04% 7.83% - - - -	- - - - 6.69% 7.44% - -	- - - - - 6.67% 6.82% 6.96%	<u>Institutional Grade Properties'</u> CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B Industrial Flex Industrial Regional Mall Community Retail Neighborhood Retail
ACLI	4Q 2017	National	5.61% 6.98% 6.23% 6.15% 5.35%	5.88% 7.08% 6.64% 6.59% 5.76%	5.97% 6.63% 6.80% 6.21% 5.62%	Overall Sq.Ft. - <50k Sq.Ft. - 50k – 100k Sq.Ft. – 100,001 – 200k Sq.Ft. – 200k+
PWC / Korpaz Real Estate Investor Survey	4Q 2017	National	3.50% - 7.50% 5.00% - 10.00% 4.50% - 10.00% 4.75% - 10.00% - - - -	- - - - 5.50% - 9.50% 4.00% - 6.90% - -	- - - - - - 4.00% - 10.00% 5.25% - 8.00% 4.00% - 9.50%	CBD Office Suburban Office Secondary Office Medical Office Flex/R&D Warehouse Regional Mall Power Center Neigh. Strip Centers
PWC / Korpaz Real Estate Investor Survey	4Q 2017	National	3.50% - 8.00% 4.20% - 10.00% 4.75% - 10.00% - - - -	- - - 3.30% - 6.90% 5.50% - 9.50% - -	- - - - - 4.00% - 9.50% 5.25% - 9.00% 4.00% - 10.00%	U.S. CBD Office U.S. Suburban Office Medical Office U.S. Warehouse U.S. Flex/R&D U.S. Strip Shop Centers U.S. Power Centers U.S. Regional Malls
The Boulder Group: Net Lease Market Report	4Q 2017	National	7.00%	7.25%	6.07%	Overall (Average)

The preceding tables summarize various ranges of capitalization rates and trends that are compiled and collected on a national or broad regional scale. This information is reconciled with data specific to the real estate market in Area 85 to develop the income model. The range of capitalization rates in the income model for Area 85 reflects the variety of properties in this area.

## Income Approach Calibration

Income tables were developed for each of the fifteen neighborhoods that comprise Area 85. The tables pertain to the following property types: Office/Medical Office, Retail, and Industrial/Warehouse 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 age. When the value of the property by the income approach was less than the land value, a nominal \$1,000 value was allocated to the improvements.

Typical income model parameters for the various markets that make up Area 85 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 mass appraisal parameters. In writing an appeal, we utilize specific income components to each individual property.

### Area 85-10 – Lake Forest Park

Typical Income Parameters 85-10				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$13.00 to \$28.00	5%	7.5% to 32%	6.50% to 8.75%
Retail/Mixed Use	\$12.00 to \$25.50	5%	7.50%	6.75% to 8.75%
Industrial/Whse.	\$4.00 to \$13.00	5%	7.50%	6.50% to 8.75%

Office property rents in Lake Forest Park are similar to the previous assessment year, while vacancy dropped and capitalization rates are stabilizing. Retail properties experienced a stable market. Industrial properties are not prolific in this area and economic income parameters have remained level. There has been some new development in this neighborhood which is an attraction for tenants and customers.

### Area 85-15 – Kenmore

Typical Income Parameters 85-15				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	%
Office/Medical Office	\$11.00 to \$29.50	5%	7.5% to 32%	6.00% to 8.75%
Retail/Mixed Use	\$12.00 to \$26.50	5%	7.50%	6.75% to 8.75%
Industrial/Whse.	\$4.00 to \$15.00	5%	7.50%	6.50% to 8.75%

Office property rents show a bump in Kenmore to the previous assessment year, while vacancy decreased and capitalization rates are stable. Retail properties experienced an increase in rents, stable vacancy and expenses with firm capitalization rates. Industrial properties are not prolific in this area but rents have moderated up and cap rates have stabilized. The redevelopment of Kenmore Village, Ling, and Lakepoint will continue to attract people to this area. In my professional opinion, vacancy in Kenmore is at or below 5%.

**Area 85-20 – Bothell**

Typical Income Parameters 85-20				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$25.00 to \$34.00	5%	35%	6.00% to 8.25%
Retail/Mixed Use	\$10.00 to \$21.00	5%	7.50%	6.50% to 8.25%
Industrial/Whse.	\$4.00 to \$15.00	5%	7% to 7.50%	6.50% to 8.75%

Office property rents in Bothell are boosted from the previous assessment year, while vacancy declined and capitalization rates flattened. Retail properties experienced slight increased rates, but vacancy decreased and capitalization rates have stabilized. Industrial properties are not prolific in this area but rents increased and vacancy has lowered. In my professional opinion, vacancy in Bothell, King County is at or below 5%. The continuing development in downtown Bothell is pulling people into this area.

**Area 85-25 – East Totem Lake (East of I-405)**

Typical Income Parameters 85-25				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$25.00 to \$36.00	5%	35% to 40%	6.00% to 8.00%
Retail/Mixed Use	\$15.00 to \$28.00	5%	7.00% to 7.75%	6.50% to 8.25%
Industrial/Whse.	\$4.00 to \$11.25	5%	7.75%	6.00% to 8.75%

Rental rates for office properties in East Totem Lake have increased from the previous assessment year, while overall vacancy has been reduced, and capitalization rates are flat. Retail properties experienced increased rents and decreased vacancy rates. Industrial properties showed increase lease rates, declining vacancy, and a flat trajectory in capitalization rates. In my professional opinion, vacancy in East Totem Lake is at or below 5%. The Totem Lake Mall redevelopment project is making this neighborhood one of the hottest in this region and it is visible from Interstate 405. Tenants, including Whole Foods, Trader Joe’s, and Nordstrom Rack plus hundreds of apartment units are a strong attraction to tenants and customers.

**Area 85-30 - Finn Hill/North Juanita**

Typical Income Parameters 85-30				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$21.00 to \$29.00	5%	25% to 35%	6.50% to 8.00%
Retail/Mixed Use	\$8.00 to \$26.00	5%	7.75%	6.50% to 8.25%
Industrial/Whse.	\$5.00 to \$10.00	5%	7.50%	6.50% to 8.5%

Office property income parameters have remained mostly stable in this neighborhood of Kirkland, with some decrease in vacancy. Retail properties also remained relatively stable. Industrial properties are not prolific in this area and economic income parameters have remained stable.

**Area 85-35 - West Totem Lake (West of I-405)**

Typical Income Parameters 85-35				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$22.00 to \$34.00	5%	27% to 45%	6.50% to 8.00%
Retail/Mixed Use	\$11.00 to \$27.00	5%	7.75%	6.50% to 8.25%
Industrial/Whse.	\$4.00 to \$10.00	5%	7.75%	6.50% to 8.00%

Rental rates for office properties in West Totem Lake are slightly above the previous assessment year, while overall vacancy rates have been reduced. Retail properties are increasing their rents, vacancy is dropping, and capitalization rates are stabilizing. Industrial properties have experienced an uptick in rents and vacancy rates have dropped. This area will benefit from the Totem Lake Mall which is located across the freeway.

**Area 85-40 - Juanita**

Typical Income Parameters 85-40				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$20.00 to \$34.00	5%	25% to 40%	6.50% to 8.00%
Retail/Mixed Use	\$8.00 to \$33.00	5%	7.75%	6.50% to 8.25%
Industrial/Whse.	\$5.00 to \$11.00	5%	7.75%	6.50% to 8.25%

Office property rents increased slightly over the previous assessment year while vacancy decreased and capitalization rates steadied. Retail rents experienced a slight uptick while vacancy has decreased. Industrial properties are not prolific in this area and economic income parameters have remained stable, except for a slight lowering of the vacancy rates.

**Area 85-45 – Houghton/Everest**

Typical Income Parameters 85-45				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$20.00 to \$34.00	5%	28% to 45%	6.25% to 8.00%
Retail/Mixed Use	\$9.00 to \$27.00	5%	7.75%	6.50% to 8.25%
Industrial/Whse.	\$5.00 to \$12.00	5%	7.75%	6.50% to 8.25%

Office property rents leveled in the Houghton area, with a decline in vacancy rates. Retail property rents are flat with a diminution of vacancy rates. Industrial property income parameters are relatively stable, except for a drop in vacancy rates. This neighborhood’s proximity to Kirkland CBD is a strong attraction for this area.

**Area 85-50 – South Rosehill**

Typical Income Parameters 85-50				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$22.00 to \$34.00	5%	27% to 42%	6.50% to 8.25%
Retail/Mixed Use	\$10.00 to \$27.00	5%	7.75%	6.50% to 8.25%
Industrial/Whse.	\$5.00 to \$11.00	5%	7.75%	6.50% to 8.25%

Office property rents in South Rosehill are slightly up from the previous assessment year though vacancy rates are down. The economic picture for retail properties has improved. Industrial properties are not prolific in this area and rents are on an upward trajectory.

#### Area 85-55 – Market Street

Typical Income Parameters 85-55				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$25.00 to \$34.00	5%	27% to 40%	6.50% to 8.25%
Retail/Mixed Use	\$20.00 to \$27.00	5%	7.75%	6.50% to 8.25%
Industrial/Whse.	\$6.00 to \$11.00	5%	7.75%	6.50% to 8.25%

In this neighborhood rents have increased and vacancy rates have decreased across the board. In my professional opinion, Market Street neighborhood is at or below 5% for vacancy in this area. This is a very strong commercial market on the eastside due to proximity to Kirkland’s CBD and Lake Washington’s waterfront.

#### Area 85-60 – South Houghton

Typical Income Parameters 85-60				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$21.00 to \$34.00	5%	27% to 40%	6.50% to 8.25%
Retail/Mixed Use	\$16.00 to \$23.00	5%	7.75%	6.50% to 8.25%
Industrial/Whse.	\$5.00 to \$11.00	5%	7.75%	6.50% to 8.25%

Office properties are prevalent in this South Houghton area. Rents are slightly up and vacancy rates have declined. Retail uses are showing an uptick in rents and a drop in vacancy rates. The industrial market has experienced a small rent increase and downward trajectory in vacancy rates. This neighborhood will benefit from the proximity to Yarrow Bay and Lake Washington.

#### Area 85-65 - Kirkland CBD

Typical Income Parameters 85-65				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$23.00 to \$37.00	5%	26% to 38%	6.00% to 8.25%
Retail/Mixed Use	\$23.00 to \$35.00	5%	7.75%	6.50% to 8.25%
Industrial/Whse.	\$5.00 to \$12.00	5%	7.75%	6.50% to 8.25%

Downtown Kirkland continues to be one of the hottest markets in the region. Rents for this area are at a premium and the vacancies are almost none existent. Even though Kirkland Urban is under construction rents continue to climb and vacancies are minimal. If you can afford it, this neighborhood is where the action is. Kirkland Urban will be the brightest jewel in this city and freeway access is convenient. The Kirkland marina, shops, galleries, and restaurants are a huge attraction throughout the year. In my professional opinion, this neighborhood is at or below 5% vacancy.

### 85-70 – Yarrow Bay/Carillon Point

Typical Income Parameters 85-70				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$24.00 to \$38.00	5%	24% to 42%	6.50% to 8.25%
Retail/Mixed Use	\$22.00 to \$33.00	5%	7.75%	6.50% to 8.25%
Industrial/Whse.	\$5.00 to \$11.00	5%	7.75%	6.50% to 8.25%

This neighborhood is in proximity to the most expensive residential area in the entire state, Hunts Point and Medina. With the connection to Lake Washington and the fact some properties also have their own marinas, rents are high and vacancies are low. This area is also in proximity to downtown Kirkland and Bellevue. In my professional opinion, this neighborhood is at or below 5% vacancy.

### 85-75 – Norkirk/Highlands

Typical Income Parameters 85-75				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$16.00 to \$35.00	5%	25% to 40%	6.50% to 8.25%
Retail/Mixed Use	\$17.00 to \$26.00	5%	7.75%	6.50% to 8.25%
Industrial/Whse.	\$5.00 to \$11.00	5%	7.75%	6.25% to 8.00%

This neighborhood abuts to Market Street and Kirkland's CBD to the southwest, Google is to the south, and the original Costco is to the east. Because this area doesn't have lake frontage, it is less expensive, but centrally located. Rents are lower than neighborhoods with waterfront but they are still rising and vacancy is dropping.

### 85-90 – Kingsgate

Typical Income Parameters 85-90				
Land Use	Rent Range	Vacancy &	Expenses	Capitalization
	Per sf	Collection Loss	per sf or % of EGI	Rate %
Office/Medical Office	\$21.00 to \$31.00	5%	28% to 40%	6.50% to 8.25%
Retail/Mixed Use	\$15.00 to \$25.00	5%	7.75%	6.50% to 8.25%
Industrial/Whse.	\$5.00 to \$10.00	5%	7.75%	6.50% to 8.25%

This is a moderate priced neighborhood with low vacancy rates and limited number of commercial properties. It is located on the east side of Interstate 405. This is primarily a residential community with neighborhood commercial to support the local residents. The income parameters have been stable, except for the vacancy rate which continues to drop. There is limited new construction in this neighborhood.

## **Reconciliation**

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

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

## Model Validation

### Total Value Conclusions, Recommendations and Validation

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

In this 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 value by income method) because there are an insufficient number and variety of sales to value the different sectors by the market approach. The income approach also insures greater uniformity and equalization of values.

Comparison of the 2017 Ratio Study Analysis with the 2018 Ratio Study Analysis indicates that the weighted mean ratio, or assessment level, improved from 80.10% to 99.10%. The Coefficient of Dispersion (COD) went down from 12.42% to 5.56%, the Coefficient of Variation (COV) went down from 20.21% to 7.16%, and the Price-related Differential (PRD) went from 1.12 to 1.01. All of these changes represent improvements of the statistical measurements within the IAAO (International Association of Assessing Officers) appraisal guidelines for measures of valuation uniformity and equity. The ratio study presented in this report indicates improvement in uniformity.

For this revalue period, land values have resulted in a fairly substantial increase with some additional minor increases in select areas and zonings. The most recognizable increases occurred in Bothell, Kirkland CBD (major redevelopment of Kirkland Urban with proposed 1.2 million square feet of mixed use properties), and Market Street. Income parameters have resulted in an incremental increase over the recent term as a result of low capitalization rates, as well as diminished vacancy rates, and healthy rental rates for most property types.

The total assessed values for Area 85 for the 2017 assessment year was \$2,296,702,600 and the total recommended value for the 2018 assessment year is \$2,446,286,900. This does not include specialty properties but it does include commercial condos (not multi-family units). In addition, the 2018 total does not include the value of new construction parcels which will be determined later, and it does not reflect the downward contamination adjustments that will be applied later to several parcels by the contamination specialist appraiser. Application of these recommended values for the 2018 assessment year (taxes payable in 2019) results in a total value increase of +6.51% from the previous year.

Change in Total Assessed Value			
2017 Total Value	2018 Total Value	\$ Change	% Change
\$2,296,702,600	\$2,446,286,900	\$149,584,300	6.51%

# USPAP Compliance

## **Client and Intended Use of the Appraisal:**

This mass appraisal report is intended for use by the public, King County Assessor and other agencies or departments administering or confirming ad valorem property taxes. Use of this report by others for other purposes is not intended by the appraiser. The use of this appraisal, analyses and conclusions is limited to the administration of ad valorem property taxes in accordance with Washington State law. As such it is written in concise form to minimize paperwork. The Assessor intends that this report conform to the Uniform Standards of Professional Appraisal Practice (USPAP) requirements for a mass appraisal report as stated in USPAP SR 6-8. To fully understand this report the reader may need to refer to the Assessor's Property Record Files, Assessor's 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 is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.*
- *I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.*
- *I have no bias with respect to the property that is the subject of this report or to the parties involved.*
- *My engagement in this assignment was not contingent upon developing or reporting predetermined results.*
- *My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.*
- *My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.*
- *The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.*

- *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.*
- *No significant real property assistance as determined by the undersigned. All services as may be variously defined significant or otherwise, and performed by duly authorized and qualified King County Assessment staff employed in the areas of Public Information, Accounting/Abstract, Commercial, Residential, Information Services, Personal Property, Accounting/Mapping, Accounting/Support, Accounting/Appeals, Chief Appraiser, Accounting/Exemptions, Accounting/Levy Administration, who may have involvement in physical inspection, revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification, new construction evaluation, and any other service which may be required from time to time, is made part of each real property parcel as a matter of public record and this certification by reference.*
- *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: Any and all activities required under the Certificate of Appointment dated 24 April 2004 under sworn oath appointing the below signed appraiser to the position of true and lawful deputy in the Office of the King County Assessor, and authorized by the State of Washington, Department of Revenue under a Certificate of Accreditation. To Wit: all duties, responsibilities, and services associated with the position description of Commercial Appraiser I in the management and valuation of Commercial Area 40. Such duties, responsibilities and services include, but are not limited to physical inspection, revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification, new construction evaluation, and any other service which may be required from time to time and to be determined significant or otherwise during the fulfillment of position requirements, and are made part of each real property parcel, is a matter of public record and this certification by reference.*

# Area 85 Ratio Study Report

## PRE-REVALUE RATIO ANALYSIS

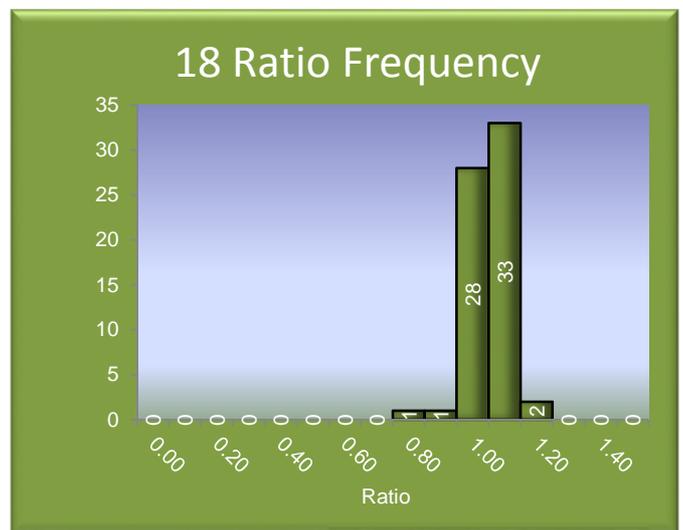
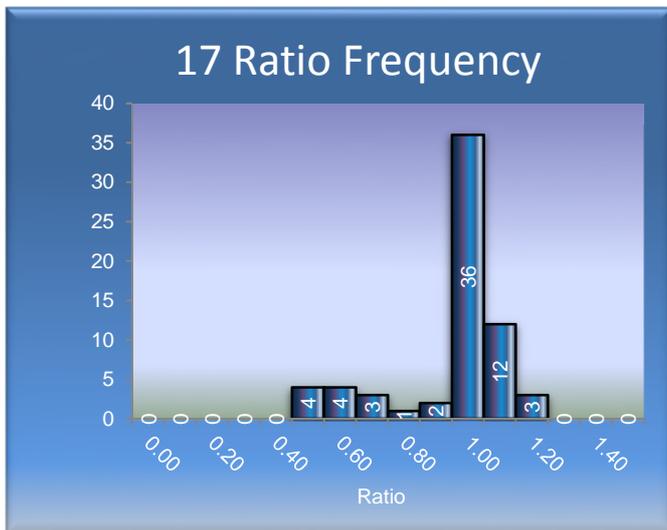
Pre-revalue ratio analysis compares sales from 2015 through 2017 in relation to the previous assessed value as of 1/1/2017.

PRE-REVALUE RATIO SAMPLE STATISTICS	
<b>Sample size (n)</b>	65
<b>Mean Assessed Value</b>	2,397,300
<b>Mean Adj. Sales Price</b>	2,994,300
<b>Standard Deviation AV</b>	2,663,593
<b>Standard Deviation SP</b>	3,742,116
ASSESSMENT LEVEL	
<b>Arithmetic Mean Ratio</b>	0.896
<b>Median Ratio</b>	0.947
<b>Weighted Mean Ratio</b>	0.801
UNIFORMITY	
<b>Lowest ratio</b>	0.4088
<b>Highest ratio:</b>	1.1482
<b>Coefficient of Dispersion</b>	12.42%
<b>Standard Deviation</b>	0.1811
<b>Coefficient of Variation</b>	20.21%
<b>Price Related Differential (PRD)</b>	1.12

## 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>	65
<b>Mean Assessed Value</b>	2,967,300
<b>Mean Sales Price</b>	2,994,300
<b>Standard Deviation AV</b>	3,701,934
<b>Standard Deviation SP</b>	3,742,116
ASSESSMENT LEVEL	
<b>Arithmetic Mean Ratio</b>	1.003
<b>Median Ratio</b>	1.007
<b>Weighted Mean Ratio</b>	0.991
UNIFORMITY	
<b>Lowest ratio</b>	0.7333
<b>Highest ratio:</b>	1.1482
<b>Coefficient of Dispersion</b>	5.56%
<b>Standard Deviation</b>	0.0718
<b>Coefficient of Variation</b>	7.16%
<b>Price Related Differential (PRD)</b>	1.01



## Improvement Sales for Area 085 with Sales Used

03/13/2018

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
085	015	011410	0662	2,764	2900915	\$860,000	11/08/17	\$311.14	SVC BLDG w/ GARAGE	DC	1	Y	
085	015	011410	0961	2,064	2787406	\$675,000	03/17/16	\$327.03	High 5 Software	R18	1	34	Use-change after sale; not in ratio
085	045	012000	0361	3,564	2714024	\$1,300,000	02/17/15	\$364.76	THE FENCE CONNECTION	LIT	1	Y	
085	065	052505	9053	2,414	2758481	\$1,150,000	09/24/15	\$476.39	PROFESSIONAL TRAVEL SERVICE	PR 2.4	1	Y	
085	045	052505	9070	10,003	2757509	\$2,594,829	09/14/15	\$259.41	903 FIFTH AVENUE BUILDING	PLA 5C	1	Y	
085	020	052605	9052	36,579	2870832	\$18,500,000	06/15/17	\$505.75	VILLAGE AT BEARDSLEE CROSSING	GDC	1	Y	
085	020	062605	9088	9,116	2723721	\$2,250,000	04/06/15	\$246.82	ROMERO PROFESSIONAL BUILDING	GDC	1	Y	
085	020	062605	9120	14,000	2846447	\$3,500,000	01/05/17	\$250.00	BOTHELL COURT (RETAIL)	GDC	1	Y	
085	020	072605	9114	3,083	2858432	\$2,650,000	04/11/17	\$859.55	BOTHELL LANDING 76	GC	2	Y	
085	020	072605	9157	7,206	2839830	\$2,400,000	12/01/16	\$333.06	SHOPS & RESIDENCE	R 2800	2	34	Use-change after sale; not in ratio
085	020	072605	9204	5,400	2758645	\$1,200,000	09/25/15	\$222.22	BOTHELL CENTER	522	1	Y	
085	045	082505	9312	5,800	2773512	\$2,000,000	12/21/15	\$344.83	OFFICE	PR 3.6	1	Y	
085	020	082605	9214	1,872	2824209	\$650,000	09/22/16	\$347.22	SFR CONV OFFICE	DN	1	34	Use-change after sale; not in ratio
085	055	085600	1405	2,850	2796458	\$835,000	05/08/16	\$292.98	SOUND PET EASTSIDE (SFR CONV)	RS 7.2	2	Y	
085	020	096700	0160	2,121	2722974	\$500,000	04/01/15	\$235.74	BOTHELL FOE (SFR CONV)	DN	1	34	Use-change after sale; not in ratio
085	015	112604	9115	10,490	2760565	\$2,950,000	10/07/15	\$281.22	UPLAKE DENTAL BLDG	RB	1	Y	
085	015	112604	9118	6,090	2811769	\$1,250,000	07/22/16	\$205.25	OFFICE-STRATHY BROS	RB	1	34	Use-change after sale; not in ratio
085	050	123310	0281	14,246	2815210	\$6,400,000	08/09/16	\$449.25	KIRKLAND COURT	RH 5A	1	Y	
085	050	123850	0055	875	2838033	\$1,753,000	12/05/16	\$2,003.43	76 / CIRCLE K	RH 1A	1	Y	
085	050	123850	0165	47,840	2847784	\$12,425,000	02/07/17	\$259.72	Arris Building	LIT	1	Y	
085	050	124190	0012	3,588	2777698	\$970,000	01/26/16	\$270.35	PAY DAY LOANS	RH 8	1	Y	
085	010	156810	0660	2,800	2754761	\$350,000	09/04/15	\$125.00	RAPID RUDY'S TV SALES & SERVICE	SG-C	1	34	Use-change after sale; not in ratio
085	090	162605	9123	2,592	2813875	\$920,000	08/03/16	\$354.94	Eastside Communications	R-AC, OP, NB	1	Y	
085	070	172505	9130	5,850	2882545	\$10,800,000	08/09/17	\$1,846.15	YARROW BAY MARINA	PLA 15A	1	Y	
085	040	179150	0315	2,050	2802842	\$1,180,000	06/16/16	\$575.61	Kameha's Cup Coffee Shop	JBD 4	1	Y	
085	030	192605	9111	3,083	2755451	\$895,000	09/11/15	\$290.30	CHIROPRACTOR & DENTAL	BC 1	1	Y	
085	030	192605	9156	3,111	2801557	\$800,000	05/31/16	\$257.15	U.S. BANK	BC 1	1	Y	
085	070	202505	9167	3,857	2853220	\$2,575,000	03/06/17	\$667.62	WOODLEY BUILDING	YBD 2	1	Y	
085	090	222605	9067	12,634	2835210	\$1,100,000	11/16/16	\$87.07	CHURCHES AND DAYCARE	RSA 4	1	Y	
085	025	240870	0030	2,536	2826087	\$786,202	09/22/16	\$310.02	EVERGREEN 121 WAY MEDICAL	TL 1B	1	Y	
085	025	242270	0020	0	2773130	\$975,000	12/21/15	\$0.00	EVERGREEN PARK NORTHWEST	TL 1B	1	Y	
085	025	242270	0050	0	2773132	\$462,500	12/21/15	\$0.00	EVERGREEN PARK NORTHWEST	TL 1B	1	Y	
085	045	250550	0115	3,595	2818287	\$1,875,000	08/23/16	\$521.56	Eastside Therapeutic Resource	PR 5.0	1	Y	
085	035	282605	9091	18,558	2791656	\$3,300,000	04/19/16	\$177.82	HILLTOP PLAZA INDUSTRIAL	TL 10B	1	Y	
085	025	282605	9095	15,424	2851707	\$7,450,000	02/28/17	\$483.01	MEDICAL OFFICE	TL 1A	1	Y	
085	035	282605	9096	3,281	2761273	\$727,410	10/06/15	\$221.70	OFFICE	TL 6B	1	Y	
085	025	282605	9169	11,648	2721698	\$4,350,000	03/25/15	\$373.45	LINE RETAIL	TL 5	1	34	Use-change after sale; not in ratio
085	025	282605	9179	24,109	2840253	\$11,000,000	12/06/16	\$456.26	TOTEM SQUARE II	TL 5	1	34	Use-change after sale; not in ratio
085	025	282605	9186	7,629	2894912	\$9,050,000	10/13/17	\$1,186.26	Totem Lake Retail Center	TL 4A	1	34	Use-change after sale; not in ratio
085	035	292605	9125	37,000	2772055	\$11,200,000	12/17/15	\$302.70	KIRKLAND 405 CORP CTR BLDG A	TL 10A	1	Y	
085	040	322605	9040	8,639	2804514	\$1,585,000	05/23/16	\$183.47	SHUMWAY MANSION ADULT FAMILY	RS 8.5	1	Y	

## Improvement Sales for Area 085 with Sales Used

03/13/2018

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
085	025	332605	9009	38,664	2875575	\$13,600,000	07/07/17	\$351.75	SLATER AVENUE	NRH 2	1	Y	
085	075	332605	9074	63,148	2740536	\$6,500,000	07/01/15	\$102.93	Par Mac Building	TL 10C	1	Y	
085	075	332605	9145	103,990	2797807	\$11,150,000	05/23/16	\$107.22	KIRKLAND BUSINESS CENTER	TL 10D	1	Y	
085	070	347180	0065	2,484	2774338	\$1,000,000	12/29/15	\$402.58	OFFICE (SFR CONV)	PR 3.6	1	Y	
085	040	376245	0020	12,111	2796878	\$325,000	05/10/16	\$26.84	JUANITA PROFESSIONAL CENTER	JBD 6	1	Y	
085	040	376245	0040	1,490	2823880	\$354,500	09/20/16	\$237.92	JUANITA PROFESSIONAL CENTER	JBD 6	1	Y	
085	040	376245	0050	1,465	2764936	\$375,000	10/29/15	\$255.97	JUANITA PROFESSIONAL CENTER	JBD 6	1	Y	
085	040	376245	0060	400	2864367	\$150,000	05/08/17	\$375.00	JUANITA PROFESSIONAL CENTER	JBD 6	1	Y	
085	090	387646	0060	4,023	2836097	\$1,630,000	11/22/16	\$405.17	KINGSGATE LINE RETAIL	BC 2	1	Y	
085	065	388580	0190	5,400	2847191	\$2,550,000	02/01/17	\$472.22	OFFICE BLDG (VANCO)	MSC 4	1	Y	
085	055	388580	0985	11,121	2771338	\$4,500,000	12/04/15	\$404.64	OFFICES & LUXURY APT (JOSHUA	MSC 3	1	Y	
085	055	388580	2660	8,037	2806376	\$2,740,000	06/23/16	\$340.92	1313 MARKET OFFICES	MSC 1	1	Y	
085	055	388580	4755	2,896	2755814	\$1,100,000	09/04/15	\$379.83	Page & Beard Architects	MSC 1	1	Y	
085	075	388580	7460	2,507	2747934	\$1,215,000	08/05/15	\$484.64	PUGET SOUND ANIMAL HOSPITAL	LIT	1	Y	
085	065	388580	8720	9,539	2761146	\$3,450,000	10/12/15	\$361.67	RETAIL/OFFICE	CBD 8	1	Y	
085	065	388831	0010	9,288	2777724	\$5,350,000	01/28/16	\$576.01	KIRKLAND CENTRAL CONDOMINIUM	CBD 1B	2	Y	
085	075	389310	1003	3,450	2824682	\$825,000	09/21/16	\$239.13	OFFICE INDUSTRIAL	TL 10E	1	Y	
085	065	390010	1045	1,816	2803692	\$1,000,000	06/16/16	\$550.66	OFFICE BUILDING	CBD 8	1	Y	
085	010	403010	0370	1,430	2747635	\$370,000	08/04/15	\$258.74	ASIA TODAY	C.C.	2	Y	
085	065	408000	0020	0	2776140	\$6,500,000	01/13/16	\$0.00	LAKE STREET MALL COMMERCIAL	CBD 2	1	Y	
085	015	618170	0496	5,981	2779668	\$925,000	02/09/16	\$154.66	DENTAL OFFICE & BEAUTY SHOP	DC	1	Y	
085	015	618170	0497	5,498	2832287	\$1,365,000	10/31/16	\$248.27	Speedy Reedy	DC	1	Y	
085	010	674470	0062	7,682	2765981	\$2,450,000	11/10/15	\$318.93	PERRY BOYER REALTY	SG-C	3	34	Use-change after sale; not in ratio
085	025	692840	0025	16,928	2905820	\$7,200,000	12/08/17	\$425.33	TOTEM LAKE NORTH	TL 1A	1	Y	
085	010	741770	0481	1,795	2860626	\$2,820,000	04/19/17	\$1,571.03	CHEVRON EXTRA MILE	CB	1	Y	
085	010	741770	0590	13,236	2830354	\$3,665,000	10/24/16	\$276.90	OFFICE BUILDING	CB	2	Y	
085	015	794630	0066	3,595	2872346	\$1,430,000	06/14/17	\$397.77	Prime Pacific BANK	DC	1	Y	
085	015	794630	0135	1,872	2873907	\$1,167,000	06/25/17	\$623.40	Jimmy John's Sandwiches	DC	1	34	Use-change after sale; not in ratio
085	050	863570	0015	2,096	2904991	\$900,000	11/30/17	\$429.39	WETHERHOLT & ASSOCIATES	RH 8	1	Y	
085	010	872687	0010	6,215	2758099	\$1,550,000	09/18/15	\$249.40	25TH PLACE CONDOMINIUM	CB	3	Y	
085	015	883160	0020	2,740	2724928	\$560,000	04/15/15	\$204.38	Uplake Modern	RB	1	Y	
085	015	883160	0030	2,740	2714206	\$575,000	02/11/15	\$209.85	Uplake Townhouses	RB	1	Y	
085	015	883160	0040	2,740	2710747	\$590,000	01/12/15	\$215.33	Uplake Modern	RB	1	Y	
085	015	883250	0010	534	2754044	\$170,000	08/18/15	\$318.35	UPLAKE TEN	CB	1	Y	
085	015	883250	0020	1,194	2805398	\$225,000	06/15/16	\$188.44	UPLAKE TEN CONDOMINIUM	CB	1	Y	

Vacant Sales for Area 085 with Sales Used

05/10/2018

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
085	010	674470	0820	33,530	2887659	\$475,000	07/17/17	\$14.17	SWIMMING POOL	RS 720	1	Y	
085	015	011410	0650	15,964	2781626	\$600,000	02/22/16	\$37.58	TAVERN PARKING	DC	2	Y	
085	015	011410	0657	25,272	2885456	\$850,000	08/23/17	\$33.63	Vacant Lot	DC	1	Y	
085	015	011410	0961	24,000	2866967	\$710,000	05/26/17	\$29.58	High 5 Software	R18	1	Y	
085	015	112604	9153	19,172	2792745	\$1,500,000	04/28/16	\$78.24	OFF/SHOP	RB	1	Y	
085	015	794630	0035	17,250	2712244	\$950,000	01/20/15	\$55.07	Lakeview Yoga (Assoc. Pkng. on minor	RB	4	Y	
085	020	052605	9060	42,324	2773163	\$900,000	12/17/15	\$21.26	Vacant Lot	GDC	2	Y	
085	020	052605	9081	16,180	2780134	\$500,000	02/10/16	\$30.90	Future Med./Office Building	GDC	1	Y	
085	020	052605	9095	12,242	2773164	\$350,000	12/14/15	\$28.59	SFR on commercial zoned land	GDC	1	Y	
085	020	052605	9142	19,761	2796859	\$825,000	05/07/16	\$41.75	SFR on commerical zoned land	GDC	1	Y	
085	020	052605	9190	15,035	2895631	\$573,200	10/13/17	\$38.12	SFR on commerical zoned land	GDC	1	Y	
085	020	062605	9038	29,679	2756969	\$645,000	09/16/15	\$21.73	VACANT	GDC	2	Y	
085	020	072605	9005	93,469	2847648	\$8,550,000	02/02/17	\$91.47	Bothell City Hall Annex	DT	1	Y	
085	020	072605	9111	38,980	2857569	\$2,625,000	04/03/17	\$67.34	Vacant	DN	4	Y	
085	020	072605	9176	59,677	2858309	\$1,595,000	03/29/17	\$26.73	STORES	00, OF	1	Y	
085	020	072605	9180	21,997	2748618	\$2,375,000	08/04/15	\$107.97	BOTHELL PEDIATRIC AND HAND TH	DC	4	Y	
085	020	072605	9202	21,073	2882014	\$475,000	08/03/17	\$22.54	parking lot	522	1	Y	
085	020	082605	9050	34,050	2765513	\$975,000	10/30/15	\$28.63	KENT GYPSUM	2800, C	1	34	Use-change after sale; not in ratio
085	020	082605	9350	28,605	2886456	\$290,000	08/29/17	\$10.14	Vacant Lot (Seg from 08260592430)	522	1	Y	
085	020	096700	0036	12,588	2884171	\$995,000	08/17/17	\$79.04	BOTHELL MALL	DC	2	Y	
085	020	096700	0370	21,606	2809496	\$1,813,202	07/11/16	\$83.92	VACANT LAND	DN	1	Y	
085	020	096700	0385	7,200	2809491	\$750,000	07/14/16	\$104.17	NORTHSHORE YOUTH FAMILY SER	DN	1	Y	
085	020	096700	0405	7,200	2851836	\$750,000	03/01/17	\$104.17	OFFICE (SFR Conv)	DN	1	Y	
085	020	096700	0410	7,200	2873314	\$750,000	06/23/17	\$104.17	OFFICE (SFR CONV.)	DN	1	Y	
085	020	096700	0415	8,400	2871115	\$750,000	06/13/17	\$89.29	MAXX SALON & SPA (SFR CONV)	DN	1	Y	
085	020	096700	0420	6,000	2898241	\$730,000	10/11/17	\$121.67	OFFICE	DN	1	Y	
085	020	096700	0430	7,080	2877641	\$1,100,000	07/13/17	\$155.37	Center for Human Services	DN	1	Y	
085	020	096700	0431	3,000	2800318	\$600,000	06/02/16	\$200.00	GABBERT ARCHITECTS	DN	1	Y	
085	020	097000	0015	46,800	2851711	\$6,600,000	02/28/17	\$141.03	PARKING (LAKESHORE BOTHELL CL	DT	6	Y	
085	020	255750	0100	23,995	2890703	\$250,000	09/20/17	\$10.42	vacant land	5400a,	1	Y	
085	025	282605	9010	37,701	2901485	\$4,400,000	11/03/17	\$116.71	TOTEM STATION	TL 2	2	Y	
085	025	282605	9024	27,878	2839832	\$700,000	12/14/16	\$25.11	SINGLE FAMILY RESIDENCE	RM 1.8	1	Y	
085	025	282605	9220	45,526	2889263	\$8,219,750	09/13/17	\$180.55	WASHINGTON SPORTS & HEALTH C	TL 1A	1	Y	
085	025	282605	9221	37,246	2889274	\$6,725,250	09/13/17	\$180.56	TOTEM LAKE MEDICAL ARTS	TL 1A	1	Y	
085	025	692840	0020	1,117,993	2725575	\$33,494,900	04/21/15	\$29.96	TOTEM LAKE SHOPPING CTR-LOWE	TL 2	4	Y	
085	025	692840	0035	25,001	2900231	\$3,100,000	11/07/17	\$124.00	WELLS FARGO BANK	TL 2	1	Y	
085	025	692840	0035	431,301	2905890	\$42,700,000	12/13/17	\$99.00	WELLS FARGO BANK	TL 2	2	Y	
085	025	866335	0120	315,891	2772122	\$130,000	12/07/15	\$0.41	TOTEM VALLEY BUSINESS PARK	P	1	Y	
085	030	202605	9036	19,443	2879269	\$1,100,000	07/23/17	\$56.58	VAC RETAIL & DUPLEX	BC 1	1	Y	
085	035	282605	9085	533,647	2867379	\$23,500,000	05/26/17	\$44.04	VACANT LAND	TL 10B	2	Y	
085	040	141330	0035	11,125	2902103	\$350,000	11/07/17	\$31.46	VACANT	MA 1.	1	Y	

Vacant Sales for Area 085 with Sales Used

05/10/2018

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
085	040	919410	0015	149,050	2716012	\$3,190,000	02/05/15	\$21.40	LAND SALE	RSX 7.0	1	Y	
085	050	124190	0013	13,850	2780682	\$800,000	02/12/16	\$57.76	STATE MORTGAGE AND ESCROW IN	RH 8.0	1	Y	
085	050	388810	0220	18,157	2865085	\$872,000	05/04/17	\$48.03	SFR HOUSE & GAR SVCS/WHSE	RSX 7.0	1	Y	
085	055	388580	1015	5,308	2816024	\$815,000	08/16/16	\$153.54	801 MARKET STREET OFFICE	MSC 1.0	1	Y	
085	065	124450	0330	41,995	2721533	\$12,000,000	03/30/15	\$285.75	RETAIL-ANTIQUE STORE	CBD 1E	1	Y	
085	065	388580	7975	10,200	2775854	\$1,550,000	01/12/16	\$151.96	FOURPLEX	RS 5.0	1	Y	
085	065	390010	0805	19,074	2727576	\$2,600,000	03/25/15	\$136.31	4-PLEX	PLA 7E	2	Y	
085	070	347180	0085	21,391	2847019	\$3,000,000	01/31/17	\$140.25	vacant site	PR 3.6	2	Y	
085	070	788260	0512	14,090	2717091	\$1,050,000	02/23/15	\$74.52	VACANT LAND	RM 3.6	1	Y	
085	070	788260	0550	32,130	2732920	\$2,700,000	05/22/15	\$84.03	OLD HOUSES	RS 5.0	1	Y	
085	070	935490	0220	52,600	2883200	\$10,100,000	08/09/17	\$192.02	POTALA VILLAGE - PROPOSED	BN	3	Y	
085	075	332605	9152	181,656	2864743	\$9,300,000	05/16/17	\$51.20	LIGHT INDUSTRIAL (MULTI-TENANT)	TL 10C	1	Y	
085	075	388690	1615	16,820	2777056	\$1,299,500	01/15/16	\$77.26	LA SEVILLE-5 PLEX	RM 3.6	1	Y	
085	075	388690	1905	20,893	2839523	\$2,160,000	12/08/16	\$103.38	VACANT LAND	RM 3.6	3	Y	

## Improvement Sales for Area 085 with Sales not Used

03/13/2018

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
085	010	162604	9013	113,456	2765055	\$500	09/02/15	\$0.00	ACACIA MEMORIAL PARK	RS 7200	1	68	Non-gov't to gov't
085	010	263690	0169	2,497	2832514	\$2,550,000	10/27/16	\$1,021.23	ARCO AMPM	CB	1	51	Related party, friend, or neighbor
085	010	741770	0605	2,810	2893042	\$68,171	06/08/17	\$24.26	RETAIL STORE	CB	1	52	Statement to dor
085	015	112604	9011	8,199	2887077	\$2,850,000	08/31/17	\$347.60	RETAIL and SERVICE GARAGE	RB	1	10	Tear down
085	015	416410	0115	17,450	2766713	\$3,500,000	11/10/15	\$200.57	MASONRY CONSTRUCTION CO	RB	1	18	Quit claim deed
085	015	794630	0066	3,595	2893014	\$850,000	09/28/17	\$236.44	Prime Pacific BANK	DC	1	51	Related party, friend, or neighbor
085	015	794630	0135	1,872	2758815	\$450,000	09/17/15	\$240.38	Tenant vacated	DC	1	15	No market exposure
085	020	082605	9128	6,027	2784675	\$1,510,000	03/07/16	\$250.54	MARKETPLACE - BANK OF BARGA	DC	3	23	Forced sale
085	020	082605	9135	1,389	2807761	\$10,000	06/20/16	\$7.20	OFFICE (SFR CONV)	R 2800, OP	1	20	Correction deed
085	020	082605	9155	1,197	2748891	\$525,000	08/04/15	\$438.60	MICHAEL'S DRYWALL CONST	R 2800, OP	1	10	Tear down
085	020	096700	0025	3,360	2712803	\$600,000	02/02/15	\$178.57	EVERGREEN KARATE	DC	2	44	Tenant
085	020	237420	0030	19,991	2852288	\$4,185,000	03/08/17	\$209.34	SAFEWAY MARKET	DC	3	11	Corporate affiliates
085	025	240870	0040	2,155	2908007	\$1,100,000	12/20/17	\$510.44	EVERGREEN 121 WAY MEDICAL	TL 1B	1	15	No market exposure
085	025	282605	9060	30,000	2718234	\$8,400,000	03/13/15	\$280.00	FORD OF KIRKLAND	TL 6A	1	44	Tenant
085	025	329140	0010	14,492	2748466	\$521,955	08/02/15	\$36.02	EVERGREEN MEDICAL BUILDING	TL 1B	1	22	Partial interest (1/3, 1/2, etc.)
085	030	172605	9021	16,277	2831727	\$4,100,000	10/31/16	\$251.89	KING COUNTY HEALTH CTR	NB	1	67	Gov't to non-gov't
085	030	192605	9156	3,111	2801556	\$615,600	05/31/16	\$197.88	U.S. BANK	BC 1	1	23	Forced sale
085	030	242604	9007	229,816	2829302	\$2,500	10/14/16	\$0.01	Bastyr University	Public/Semi-Public	1	24	Easement or right-of-way
085	030	364910	0045	2,800	2716487	\$825,000	02/20/15	\$294.64	KENMORE RETAIL BUILDING	NB	1	15	No market exposure
085	035	282605	9041	6,230	2844322	\$96,000	11/28/16	\$15.41	Office Building	TL 4B	1	24	Easement or right-of-way
085	035	282605	9096	3,281	2717762	\$272,500	02/18/15	\$83.05	OFFICE	TL 6B	1	51	Related party, friend, or neighbor
085	035	282605	9114	20,081	2725618	\$8,300,000	04/17/15	\$413.33	TOTEM HILL PLAZA (LINE RETAIL &	TL 4B	1	15	No market exposure
085	035	292605	9144	54,648	2886558	\$38,754	08/29/17	\$0.71	Value Village	TL 6B	2	24	Easement or right-of-way
085	035	292605	9171	1,568	2878943	\$150,000	03/20/17	\$95.66	ARCO AMPM	TL 6B	1	24	Easement or right-of-way
085	035	292605	9191	2,584	2870035	\$61,746	05/01/17	\$23.90	TOTEM LAKE FOOD STORE	TL 6B	1	24	Easement or right-of-way
085	035	292605	9280	6,000	2873460	\$15,750	06/03/17	\$2.63	RETAIL PAD - TOTEM LAKE QFC	TL 6B	1	24	Easement or right-of-way
085	040	376245	0070	1,175	2764939	\$335,000	10/29/15	\$285.11	JUANITA PROFESSIONAL CENTER	JBD 6	1	12	Estate administrator, guardian, or e
085	045	012000	0371	5,174	2796862	\$975,000	05/18/16	\$188.44	TACTILE SIGNAGE	LIT	1	15	No market exposure
085	050	123850	0574	16,582	2803338	\$39,942	06/16/16	\$2.41	ROSE HILL PRESBYTERIAN CHURCH	PLA 17A	2	24	Easement or right-of-way
085	055	431080	0010	3,139	2869265	\$1,522,100	05/25/17	\$484.90	LIFE ON MARKET (Retail Condo w/ F	MSC 1	2	60	Short sale
085	075	388690	1360	23,383	2721593	\$4,275,000	03/31/15	\$182.83	PARKADE OFFICE BUILDING	LIT	2	15	No market exposure

Vacant Sales for Area 085 with Sales not Used

03/13/2018

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
085	010	156810	0665	3,811	2754762	\$75,000	09/01/15	\$19.68	VACANT LOT	SG-C	1	18	Quit claim deed
085	015	011410	0657	25,272	2878084	\$10	07/05/17	\$0.00	Vacant Lot	DC	1	31	Exempt from excise tax
085	015	112604	9126	165,914	2811770	\$5,000	07/22/16	\$0.03	VACANT LAND	R1	1	15	No market exposure
085	015	382020	0010	14,704	2896432	\$190,092	10/19/17	\$12.93		DC	1	67	Gov't to nongov't
085	020	072605	9180	32,722	2872536	\$1,934,500	06/21/17	\$59.12	BOTHELL PEDIATRIC AND HAND TH	DC	6	22	Partial interest (1/3, 1/2, etc.)
085	020	072605	9262	2,172,557	2905683	\$3,000,000	12/07/17	\$1.38	WAYNE SAMMAMISH REGIONAL PA	R 9600	1	68	Non-gov't to gov't
085	020	072605	9364	1,591,148	2908281	\$266,537	12/21/17	\$0.17	WAYNE SAMMAMISH REGIONAL PA	R 9600	4	68	Non-gov't to gov't
085	020	072605	9364	1,591,148	2908280	\$3,853,581	12/27/17	\$2.42	WAYNE SAMMAMISH REGIONAL PA	R 9600	4	68	Non-gov't to gov't
085	020	255750	0100	57,345	2806778	\$215,000	06/21/16	\$3.75	vacant land	R 5400a, OP	3	61	Financial institution resale
085	025	272605	9007	95,337	2828263	\$1,150,000	10/13/16	\$12.06	VACANT INDUSTRIAL LAND	RMA 3.6	1	23	Forced sale
085	025	282605	9186	23,597	2822354	\$2,800,000	09/13/16	\$118.66	Totem Lake Retail Center	TL 4A	1	46	Non-representative sale
085	025	692840	0075	76,885	2861611	\$4,800,000	04/28/17	\$62.43	vacant land	PR 1.8	1	51	Related party, friend, or neighbor
085	025	866327	0060	1,154,701	2884514	\$20,000	08/14/17	\$0.02	KING CO. RETENTION POND (TOTEN	P	2	24	Easement or right-of-way
085	035	282605	9085	74,180	2910051	\$820,000	11/15/17	\$11.05	VACANT LAND	TL 10B	1	68	Non-gov't to gov't
085	035	282605	9085	74,180	2904707	\$820,000	11/15/17	\$11.05	VACANT LAND	TL 10B	1	68	Non-gov't to gov't
085	045	012000	0190	114,759	2873879	\$3,200,000	06/29/17	\$27.88	VACANT INDUST. LAND	LIT	3	11	Corporate affiliates
085	045	788260	0431	40,087	2725933	\$4,675,000	04/17/15	\$116.62	Apartments	RM 3.6	2	68	Non-gov't to gov't
085	065	124450	0330	61,409	2805402	\$100,000	06/23/16	\$1.63	RETAIL-ANTIQUE STORE	CBD 1B	4	24	Easement or right-of-way
085	070	788260	0514	1,408	2710989	\$88,000	01/22/15	\$62.50	VACANT LAND	RM 3.6	1	36	Plottage

Area	Neighborhood	Major	Minor	SitusAddress
85	25	240870	0000	13107 121ST WAY NE
85	25	240870	0010	No Situs Address
85	25	240870	0020	No Situs Address
85	25	240870	0030	No Situs Address
85	25	240870	0040	No Situs Address
85	25	240870	0050	No Situs Address
85	25	240870	0060	No Situs Address
85	25	242270	0000	13106 120TH AVE NE
85	25	242270	0010	13106 120TH AVE NE
85	25	242270	0020	13114 120TH AVE NE
85	25	242270	0030	13118 120TH AVE NE
85	25	242270	0040	13122 120TH AVE NE
85	25	242270	0050	13126 120TH AVE NE
85	25	272605	9006	No Situs Address
85	25	272605	9007	13250 NE 126TH PL
85	25	272605	9012	13205 NE 124TH ST
85	25	272605	9018	13250 NE 126TH PL
85	25	272605	9040	13245 NE 123RD ST
85	25	272605	9043	12545 135TH AVE NE
85	25	272605	9051	13260 NE 126TH PL
85	25	272605	9061	No Situs Address
85	25	272605	9068	12600 135TH AVE NE
85	25	272605	9074	13210 NE 124TH ST
85	25	272605	9080	13325 NE 124TH ST
85	25	272605	9084	13211 NE 123RD ST
85	25	272605	9090	13513 NE 126TH PL
85	25	272605	9091	12530 135TH AVE NE
85	25	272605	9101	13400 NE 124TH ST
85	25	272605	9122	13424 NE 126TH PL
85	25	272605	9123	13270 NE 126TH PL
85	25	282605	9004	13000 132ND PL NE
85	25	282605	9006	11833 NE 132ND ST
85	25	282605	9008	13128 TOTEM LAKE BLVD NE
85	25	282605	9010	12525 TOTEM LAKE BLVD NE
85	25	282605	9020	12230 NE 116TH ST
85	25	282605	9024	12532 NE 117TH PL
85	25	282605	9026	11828 SLATER AVE NE
85	25	282605	9027	132ND PL NE
85	25	282605	9039	12700 NE 124TH ST
85	25	282605	9040	12415 SLATER AVE NE
85	25	282605	9042	12409 NE 124TH ST
85	25	282605	9043	12006 120TH PL NE
85	25	282605	9046	11932 124TH AVE NE
85	25	282605	9052	11800 124TH AVE NE
85	25	282605	9053	12828 NE 124TH ST
85	25	282605	9054	124TH AVE NE

85	25	282605	9059	NE 124TH ST
85	25	282605	9060	11800 124TH AVE NE
85	25	282605	9062	13111 NE 124TH ST
85	25	282605	9067	12703 NE 124TH ST
85	25	282605	9068	12321 120TH PL NE
85	25	282605	9076	12232 NE 116TH ST
85	25	282605	9077	TOTEM LAKE BLVD NE
85	25	282605	9079	11651 SLATER AVE NE
85	25	282605	9086	11961 124TH AVE NE
85	25	282605	9087	NE 116TH ST
85	25	282605	9090	NE 116TH ST
85	25	282605	9093	11930 SLATER AVE NE
85	25	282605	9095	12750 TOTEM LAKE BLVD NE
85	25	282605	9105	12502 SLATER AVE NE
85	25	282605	9110	NE 126TH PL
85	25	282605	9111	12910 TOTEM LAKE BLVD NE
85	25	282605	9113	11680 SLATER AVE NE
85	25	282605	9121	12626 NE 124TH ST
85	25	282605	9124	12410 NE 124TH ST
85	25	282605	9128	13110 NE 126TH PL
85	25	282605	9132	12532 NE 124TH ST
85	25	282605	9134	12446 NE 124TH ST
85	25	282605	9137	12418 NE 124TH ST
85	25	282605	9138	12421 TOTEM LAKE BLVD NE
85	25	282605	9139	12221 NE 124TH ST
85	25	282605	9140	13131 120TH AVE NE
85	25	282605	9144	No Situs Address
85	25	282605	9145	11902 124TH AVE NE
85	25	282605	9146	12000 132ND AVE NE
85	25	282605	9147	12100 NE 128TH ST
85	25	282605	9149	12800 NE 124TH LN
85	25	282605	9151	12000 132ND AVE NE
85	25	282605	9154	12432 NE 124TH ST
85	25	282605	9155	11841 SLATER AVE NE
85	25	282605	9160	TOTEM LAKE BLVD NE
85	25	282605	9162	12000 132ND AVE NE
85	25	282605	9163	12427 NE 124TH ST
85	25	282605	9169	11613 124TH AVE NE
85	25	282605	9173	13131 NE 124TH ST
85	25	282605	9176	13123 NE 124TH ST
85	25	282605	9177	12415 NE 124TH ST
85	25	282605	9179	11727 124TH AVE NE
85	25	282605	9180	NE 124TH ST
85	25	282605	9181	12055 SLATER AVE NE
85	25	282605	9186	No Situs Address
85	25	282605	9188	124TH AVE NE
85	25	282605	9202	No Situs Address

85	25	282605	9203	13000 120TH AVE NE
85	25	282605	9206	13014 120TH AVE NE
85	25	282605	9207	12034 NE 130TH LN
85	25	282605	9209	13200 NE 126TH PL
85	25	282605	9210	NE 129TH ST
85	25	282605	9215	12407 SLATER AVE NE
85	25	282605	9216	NE 124TH ST
85	25	282605	9220	No Situs Address
85	25	282605	9221	No Situs Address
85	25	282605	9222	11600 124TH AVE NE
85	25	282605	9245	12607 NE 132ND ST
85	25	329140	0020	13118 121ST WAY NE
85	25	329140	0030	13030 121ST WAY NE
85	25	329140	0040	13100 121ST WAY NE
85	25	332605	9001	11605 132ND AVE NE
85	25	332605	9008	11404 SLATER AVE NE
85	25	332605	9009	11241 SLATER AVE NE
85	25	332605	9035	12409 NE 116TH ST
85	25	332605	9055	10633 132ND AVE NE
85	25	332605	9066	12217 NE 116TH ST
85	25	332605	9068	12235 NE 116TH ST
85	25	332605	9076	11417 124TH AVE NE
85	25	332605	9087	11211 SLATER AVE NE
85	25	332605	9100	12215 NE 116TH ST
85	25	332605	9109	11416 SLATER AVE NE
85	25	332605	9125	124TH AVE NE
85	25	332605	9136	No Situs Address
85	25	332605	9210	11404 SLATER AVE NE
85	25	332605	9211	No Situs Address
85	25	389310	0991	12111 SLATER AVE NE
85	25	389310	0992	11109 SLATER AVE NE
85	25	389310	1005	11007 SLATER AVE NE
85	25	389310	1060	10805 124TH AVE NE
85	25	692840	0010	NE 128TH ST
85	25	692840	0011	11830 NE 128TH ST
85	25	692840	0012	12815 120TH AVE NE
85	25	692840	0013	12819 120TH AVE NE
85	25	692840	0015	12911 120TH AVE NE
85	25	692840	0017	12901 120TH AVE NE
85	25	692840	0020	No Situs Address
85	25	692840	0022	11919 NE 128TH ST
85	25	692840	0025	12707 120TH AVE NE
85	25	692840	0026	11903 NE 128TH ST
85	25	692840	0031	12028 NE TOTEM LAKE WAY
85	25	692840	0032	12031 NE TOTEM LAKE WAY
85	25	692840	0033	12424 TOTEM LAKE BLVD NE
85	25	692840	0034	12510 120TH AVE NE

85	25	692840	0040	12039 NE 128TH ST
85	25	692840	0050	NE TOTEM LAKE WAY
85	25	692840	0075	12217 NE 128TH ST
85	25	866327	0011	12410 NE TOTEM LAKE WAY
85	25	866327	0060	12307 NE TOTEM LAKE WAY
85	25	866335	0120	12509 130TH LN NE
85	25	866335	0130	12440 128TH LN NE
85	25	866335	0140	12509 130TH LN NE
85	25	894438	0010	No Situs Address
85	25	894438	0020	No Situs Address
85	25	894438	0030	No Situs Address
85	25	894439	0010	No Situs Address
85	25	894439	0020	No Situs Address
85	25	894439	0030	No Situs Address
85	25	894439	0040	No Situs Address

Area	Neighborhood	Major	Minor	SitusAddress
85	30	082605	9316	16522 112TH LN NE
85	30	124230	0045	13272 100TH AVE NE
85	30	124230	0046	13510 100TH AVE NE
85	30	124230	0047	13520 100TH AVE NE
85	30	124230	0048	13500 100TH AVE NE
85	30	142604	9070	6725 NE ARROWHEAD DR
85	30	172605	9014	10222 NE 145TH ST
85	30	172605	9021	10808 NE 145TH ST
85	30	172605	9028	16300 112TH AVE NE
85	30	172605	9033	16300 112TH AVE NE
85	30	172605	9036	15910 112TH AVE NE
85	30	172605	9037	No Situs Address
85	30	172605	9044	15062 JUANITA-WOODINVILLE WAY NE
85	30	172605	9055	14520 100TH AVE NE
85	30	172605	9061	No Situs Address
85	30	172605	9080	14501 JUANITA-WOODINVILLE WAY NE
85	30	172605	9095	No Situs Address
85	30	172605	9123	14511 JUANITA-WOODINVILLE WAY NE
85	30	172605	9124	15530 JUANITA-WOODINVILLE WAY NE
85	30	182605	9008	15252 SIMONDS RD NE
85	30	192605	9025	13651 100TH AVE NE
85	30	192605	9032	9820 NE 132ND ST
85	30	192605	9075	13511 100TH AVE NE
85	30	192605	9107	No Situs Address
85	30	192605	9110	13325 100TH AVE NE
85	30	192605	9111	13611 100TH AVE NE
85	30	192605	9138	13633 100TH AVE NE
85	30	192605	9156	13233 100TH AVE NE
85	30	192605	9157	No Situs Address
85	30	192605	9160	13701 100TH AVE NE
85	30	192605	9163	9826 NE 132ND ST
85	30	192605	9174	13501 100TH AVE NE
85	30	192605	9199	13335 100TH AVE NE
85	30	192605	9209	14235 100TH AVE NE
85	30	192605	9219	No Situs Address
85	30	202605	9018	10200 NE 132ND ST
85	30	202605	9019	10322 NE 132ND ST
85	30	202605	9036	13604 100TH AVE NE
85	30	202605	9050	10421 NE 140TH ST
85	30	202605	9055	11210 NE 132ND ST
85	30	202605	9059	14230 JUANITA-WOODINVILLE WAY NE
85	30	202605	9066	13531 JUANITA-WOODINVILLE WAY NE
85	30	202605	9071	14220 JUANITA-WOODINVILLE WAY NE
85	30	202605	9091	10301 NE 145TH ST
85	30	202605	9094	10301 NE 145TH ST
85	30	202605	9105	13820 108TH AVE NE

85	30	202605	9142	10020 NE 133RD PL
85	30	202605	9172	10126 NE 132ND ST
85	30	202605	9184	13620 100TH AVE NE
85	30	232604	9001	1 JUANITA DR NE
85	30	242604	9007	1 JUANITA DR NE
85	30	242604	9013	8106 NE 138TH ST
85	30	242604	9034	7910 NE 132ND ST
85	30	242604	9077	7718 NE 141ST ST
85	30	242604	9128	8040 NE 132ND ST
85	30	242604	9146	8220 NE 138TH ST
85	30	357860	0071	15725 SIMONDS RD NE
85	30	357860	0090	15520 84TH AVE NE
85	30	357980	0490	7311 NE 141ST ST
85	30	357980	0495	7315 NE 141ST ST
85	30	357980	0535	14050 JUANITA DR NE
85	30	357980	0551	14237 73RD AVE NE
85	30	357980	0555	14106 JUANITA DR NE
85	30	357980	0557	NE 142ND PL
85	30	364910	0045	6810 NE 153RD PL
85	30	364910	0122	15036 70TH AVE NE
85	30	364910	0510	15012 JUANITA DR NE
85	30	364910	0512	No Situs Address
85	30	364910	0513	6825 NE 153RD PL
85	30	364910	0520	15022 JUANITA DR NE
85	30	364910	0540	14944 JUANITA DR NE
85	30	563150	0005	8315 NE 155TH ST
85	30	563150	0015	15221 84TH AVE NE
85	30	563150	0036	15115 84TH AVE NE
85	30	563150	0051	8204 NE 150TH ST
85	30	569050	0025	16230 104TH AVE NE
85	30	569050	0065	16206 104TH AVE NE
85	30	569050	0067	16200 104TH AVE NE
85	30	667550	0210	8411 NE 141ST ST