

Talbot Hill/ East Kent

Area: 059

Residential Revalue for 2018 Assessment Roll



Photo Source: King County Appraiser



King County

Department of Assessments

Setting values, serving the community, and pursuing excellence

500 Fourth Avenue, ADM-AS 0708

Seattle, WA 98104-2384

OFFICE (206) 296-7300 FAX (206) 296-0595

Email: assessor.info@kingcounty.gov

<http://www.kingcounty.gov/assessor/>



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John Wilson
Assessor

Dear Property Owners,

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 you accurate and timely information. 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 our process and the 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 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 residential property, we break up King County into 86 residential market areas and annually develop market models from the sale of properties using multiple regression statistical tools. The results of the market models are then applied to all similarly situated homes within the same appraisal area.

Are Properties Inspected?

All property in King County is physically 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. From the property inspections we update our property assessment records for each property. In cases where an appraiser has a question, they will approach the residence front door to make contact with the property owner or leave a card requesting the taxpayer contact them.

RCW 84.40.025 - Access to property

For the purpose of assessment and valuation of all taxable property in each county, any real or personal property in each county shall be subject to visitation, investigation, examination, discovery, and listing at any reasonable time by the county assessor of the county or by any employee thereof designated for this purpose by the assessor.

In any case of refusal to such access, the assessor shall request assistance from the department of revenue which may invoke the power granted by chapter [84.08](#) RCW.

How Are Property Sales Used?

For the annual revaluation of residential properties, three years of sales are analyzed with the sales prices time adjusted to January 1 of the current assessment year. Sales prices are adjusted for time to reflect that market prices change over time. During an increasing market, older sales prices often understate the current market value. Conversely, during downward (or recessionary) markets, older sales prices may overstate a property's value on January 1 of the assessment year unless sales are time adjusted. Hence time adjustments are an important element in the valuation process.

How is Assessment Uniformity Achieved?

We have adopted the Property Assessment Standards prescribed by the International Association of Assessing Officers that may be reviewed at www.iaao.org. As part of our valuation process statistical testing is performed by reviewing the uniformity of assessments within each specific market area, property type, and quality grade or residence age. More specifically Coefficients of Dispersion (aka COD) are developed that show the uniformity of predicted property assessments. We have set our target CODs using the standards set by IAAO which are summarized in the following table:

| Type of property—General | Type of property—Specific | COD Range** |
|--|--|------------------------------|
| Single-family residential (including residential condominiums) | Newer or more homogeneous areas | 5.0 to 10.0 |
| Single-family residential | Older or more heterogeneous areas | 5.0 to 15.0 |
| Other residential | Rural, seasonal, recreational, manufactured housing, 2–4 unit family housing | 5.0 to 20.0 |
| Income-producing properties | Larger areas represented by large samples | 5.0 to 15.0 |
| Income-producing properties | Smaller areas represented by smaller samples | 5.0 to 20.0 |
| Vacant land | | 5.0 to 25.0 |
| Other real and personal property | | Varies with local conditions |

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

More results of the statistical testing process is 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.



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Department of Assessments
King County Administration Bldg.
500 Fourth Avenue, ADM-AS-0708
Seattle, WA 98104-2384

John Wilson
Assessor

Talbot Hill \ East Kent - Area 059

2018 Assessment Roll Year

Recommendation is made to post values for Area 059 to the 2019 tax roll:

Appraiser II: Solomyia Bilyk

06/18/2018

Date

SW District Senior Appraiser: Randy Raven

06-19-18

Date

Residential Division Director: Debra S. Prins

6/20/18

Date

This report is hereby accepted and the values described in the attached documentation for Area 059 should be posted to the 2019 tax roll.

John Wilson, King County Assessor

7/10/18

Date



Executive Summary

Talbot Hill \ East Kent - Area 059

Physical Inspection

Appraisal Date: 1/1/2018
Previous Physical Inspection: 2012
Number of Improved Sales: 634
Range of Sale Dates: 1/1/2015 – 12/31/2017 Sales were time adjusted to 1/1/2018

| Sales - Improved Valuation Change Summary: | | | | | | |
|--|-----------|--------------|-----------|-----------------|-------|-------|
| | Land | Improvements | Total | Mean Sale Price | Ratio | COD |
| 2017 Value | \$116,600 | \$277,000 | \$393,600 | | | 7.95% |
| 2018 Value | \$178,300 | \$261,700 | \$440,000 | \$479,500 | 92.1% | 6.17% |
| \$ Change | +\$61,700 | -\$15,300 | +\$46,400 | | | |
| % Change | +52.9% | -5.5% | +11.8% | | | |

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2018 COD of 6.17% is an improvement from the previous COD of 7.95%. The lower the COD, the more uniform are the predicted assessed values. Assessment standards prescribed by the International Association of Assessing Officers identify that the COD in rural or diverse neighborhoods should be no more than 20%. The resulting COD meets or exceeds the industry assessment standards. Sales from 1/1/2015 to 12/31/2017 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2018

| Population - Improved Valuation Change Summary: | | | |
|---|-----------|--------------|-----------|
| | Land | Improvements | Total |
| 2017 Value | \$116,600 | \$260,400 | \$377,000 |
| 2018 Value | \$178,300 | \$247,500 | \$425,800 |
| \$ Change | +\$61,700 | -\$12,900 | +\$48,800 |
| % Change | +52.9% | -5.0% | +12.9% |

Number of one to three unit residences in the population: 4,334

Physical Inspection Area:

State law requires that each property be physically inspected at least once during a 6 year revaluation cycle. During the recent inspection of Area 059 – Talbot Hill\ East Kent, appraisers were in the area, confirming data characteristics, developing new valuation models and selecting a new value for each property for the assessment year. For each of the subsequent years, the previous property values are statistically adjusted during each assessment period. Taxes are paid on total value, not on the separate amounts allocated to land and improvements.

The current physical inspection analysis for Area 059 indicated a substantial change was needed in the allocation of the land and improvement value as part of the total. Land is valued as though vacant and at its highest and best use. The improvement value is a residual remaining when land is subtracted from total value.

Land valuation during the previous physical inspection was established at a time when the market took a downturn. Since then, the market has been increasing and developers are rapidly working on building out new plats. As a result, land values have been increasing steadily in Area 59 as well.

Area 059 Physical Inspection Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

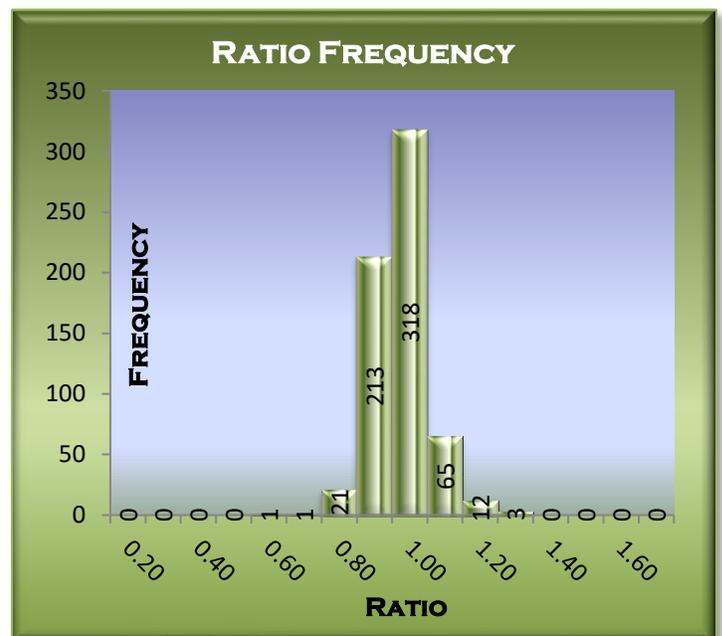
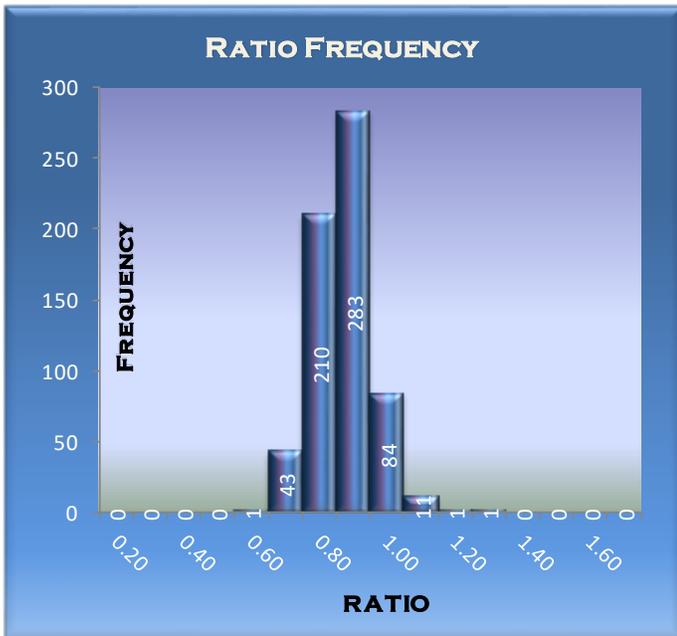
Pre-revalue ratio analysis compares time adjusted sales from 2014 through 2017 in relation to the previous assessed value as of 1/1/2017.

| PRE-REVALUE RATIO SAMPLE STATISTICS | |
|---|---------|
| <i>Sample size (n)</i> | 634 |
| <i>Mean Assessed Value</i> | 393,600 |
| <i>Mean Adj. Sales Price</i> | 479,500 |
| <i>Standard Deviation AV</i> | 99,213 |
| <i>Standard Deviation SP</i> | 109,780 |
| ASSESSMENT LEVEL | |
| <i>Arithmetic Mean Ratio</i> | 0.820 |
| <i>Median Ratio</i> | 0.822 |
| <i>Weighted Mean Ratio</i> | 0.821 |
| UNIFORMITY | |
| <i>Lowest ratio</i> | 0.592 |
| <i>Highest ratio:</i> | 1.205 |
| <i>Coefficient of Dispersion</i> | 7.95% |
| <i>Standard Deviation</i> | 0.083 |
| <i>Coefficient of Variation</i> | 10.12% |
| <i>Price Related Differential (PRD)</i> | 0.999 |

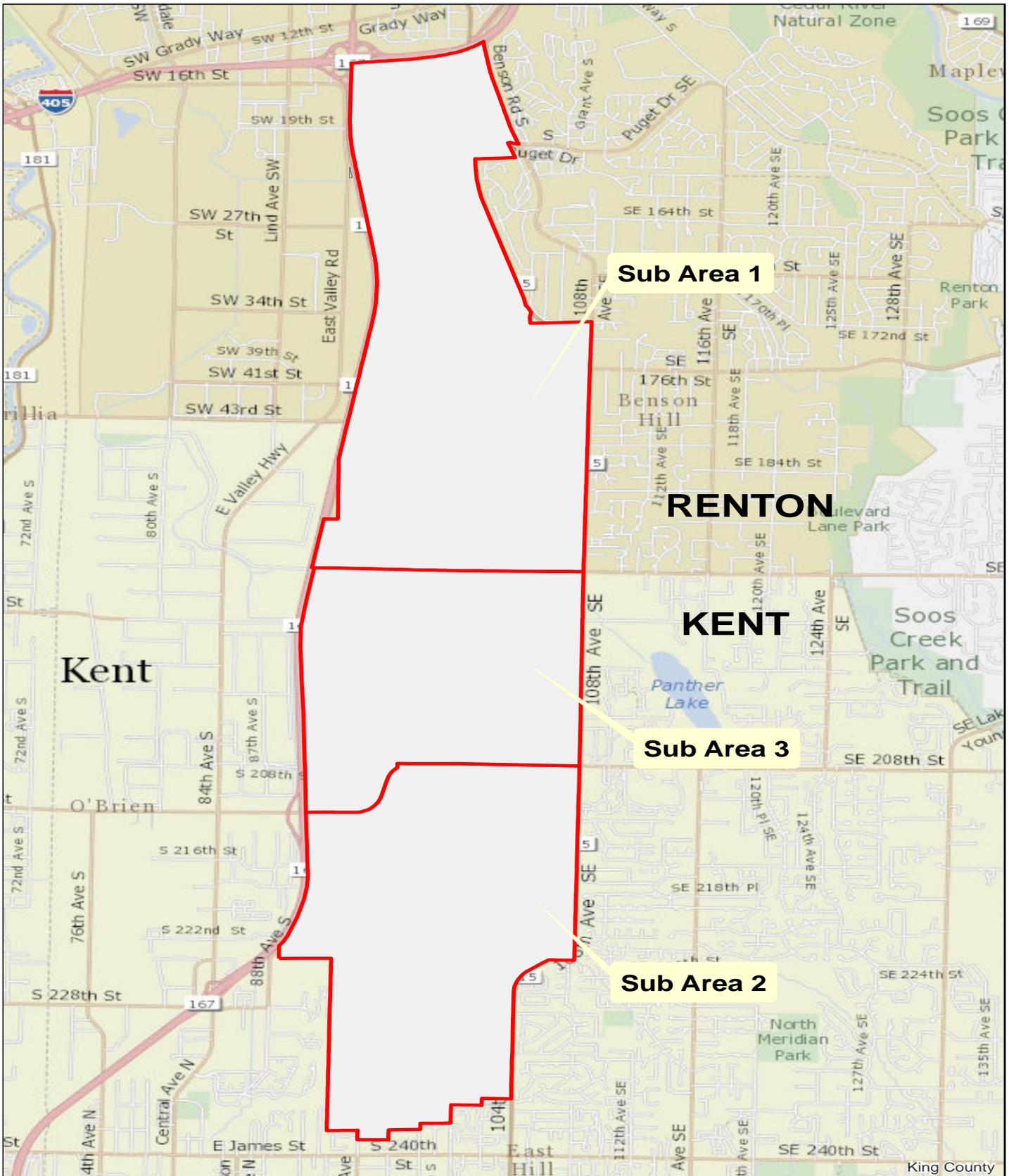
POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares time adjusted 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 | |
|---|---------|
| <i>Sample size (n)</i> | 634 |
| <i>Mean Assessed Value</i> | 440,000 |
| <i>Mean Sales Price</i> | 479,500 |
| <i>Standard Deviation AV</i> | 94,073 |
| <i>Standard Deviation SP</i> | 109,780 |
| ASSESSMENT LEVEL | |
| <i>Arithmetic Mean Ratio</i> | 0.924 |
| <i>Median Ratio</i> | 0.921 |
| <i>Weighted Mean Ratio</i> | 0.918 |
| UNIFORMITY | |
| <i>Lowest ratio</i> | 0.510 |
| <i>Highest ratio:</i> | 1.275 |
| <i>Coefficient of Dispersion</i> | 6.17% |
| <i>Standard Deviation</i> | 0.077 |
| <i>Coefficient of Variation</i> | 8.31% |
| <i>Price Related Differential (PRD)</i> | 1.007 |



Area 059 Map



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

Area Information

Name or Designation

Area 059 - Talbot Hill \ East Kent

Boundaries

Area 59 is bounded on the North by Interstate 405, South by E. James St (SE 240th St.), East by Benson Rd (108th Ave SE), and West by the Valley Freeway (Hwy 167).

Maps

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

Area Description

Area 59 is located in the SE portion of King County. The area has two market areas; Talbot Hill in Renton, (i.e. Subarea 1) and Park Orchard, in Kent (i.e. Subareas 2 and 3). Area 59 is a mix of older improvements, new plats, newer pocket developments and some larger parcels with older improvements or vacant sites. An older 1996 grade 7 townhouse plat, Summit Park, is also located in area 59. There are some territorial/mountain view properties however the majority of the area does not have a view amenity. Topography, wetland and traffic noise issues also impact this area. The area is in close proximity to three major freeways (i.e. I-405, Valley Freeway 167, and I-5), business and employment centers, shopping and medical facilities (Valley Medical Center).

Land Valuation

Vacant sales from 1/1/2015 to 12/31/2017 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2018. Due to the homogeneous nature of this area a plat value was used for valuing the majority of subdivisions and a per site value was used for tax lots and some atypical sites.

Area 59, Kent/Renton, has 5,159 parcels and is divided into three subareas. Subarea 1 (Talbot Hill) is located in the northern portion of Area 59 and has 1,827 parcels. The Talbot Hill neighborhood is an older established area within the city limits of Renton. The area has some territorial views that include valley and mountain vistas. There are also a few parcels with a peek a boo view of city skylines and/or Lake Washington in the distance. Because these views are so limited they were determined not to have contributory value. The Park Orchard area, subarea 2 and 3, are within Kent city limits and is also a well-established neighborhood. Subarea 2 is located in the southern most portion of the area and has 1,941 parcels; subarea 3 is located in the middle and has 1,391 parcels. The majority of the Park Orchard area has platted subdivisions or pocket tracts. The views in this area are mostly territorial valley views.

Area 59 has been changing for the past 10 years from an older established area with larger lots, to an area with several newer pocket subdivisions and a few larger subdivisions. There has been and continues today short platting of larger sites to smaller sites with new improvements. The grades, in Area 59, range from 3 to 13 with the typical improvement being a grade 7 single family dwelling in average condition.

Land Valuation... Continued

We expanded the vacant land search to include similar competing areas. Area 51 (South Renton/Kent) is east of Area 59 and both areas have similar characteristics and amenities as the subject area. The sales comparison approach was used to determine land values and was augmented by using land allocation with improved sales. Historically, King County builders have used an allocation of 25% to 35% for a land to building ratio. For land allocation in Area 59, we estimated the land to total value allocation at 30%. The allocation percentage was determined after reviewing and analyzing the vacant land sales, builder and developer sales, multi parcel sales, and sales of new improvements in the area. We used the allocation percentage in conjunction with the Assessor's depreciation table to calculate the indicated land values for improved sold properties. The allocation approach results were consistent with the sale comparison approach.

Area 59 has sites impacted by territorial and mountain views. Upward adjustments were coded and recognized for a variety of views. Negative impacts from external nuisances such as traffic (ranging from moderate to extreme), topography, restricted access, wetlands and streams were recognized and downward adjustments were made.

Because of the lack of developable land in King County in close proximity to city centers, larger sites in the City of Renton and Kent are being short platted and some older smaller improvements are being torn down and the sites redeveloped. However, any short platting of larger sites was only considered when the process was complete. Most of the larger available acreage tracts are affected by topography, wetlands and sensitive areas.

Land valuation during the previous physical inspection was established at a time when the market took a downturn. Since then, the market has been increasing and developers are rapidly working on building out new plats. As a result, land values have been increasing steadily in Area 59 as well.

Model Development, Description and Conclusions

Area 59's land is valued by two different land models. The first model recognizes typical parcels in subdivisions and is valued by a uniform plat lot value. The plats are homogeneous, share similar amenities and are, for the most part, recognized with a single value that reflects the amenities and characteristics for each plat. When a subdivision has a distinctive amenity (i.e. underground utilities, sidewalks, curbs/gutters) an adjustment is made to reflect the differences.

A second land model was used to value unplatted lots and subdivisions that are not as homogeneous, or have fewer amenities. Because of the differing characteristics of these types of sites they were calculated on the per lot basis versus a single plat value.

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

Land Value Model Calibration

Base Lot Values

| LOT SIZE | VALUE |
|---|--|
| 0-3000 | \$155,000 |
| 3,001-5,000 | \$160,000 |
| 5,001-8,000 | \$165,000 |
| 8,001-12,000 | \$170,000 |
| 12,001-16,000 | \$175,000 |
| 16,001-20,000 | \$180,000 |
| 20,001-25,000 | \$190,000 |
| 25,001-30,000 | \$200,000 |
| 30,001-35,000 | \$210,000 |
| 35,001-43,559 | \$220,000 |
| 1-1.24 Acres | \$235,000 |
| 1.25-1.50 Acres | \$250,000 |
| 1.50-1.74 Acres | \$265,000 |
| 1.75-1.99 Acres | \$280,000 |
| 2.00-2.24 Acres | \$295,000 |
| 2.25-2.49 Acres | \$310,000 |
| 2.50-2.74 Acres | \$325,000 |
| 2.75-2.99 Acres | \$340,000 |
| 3.00-3.24 Acres | \$355,000 |
| 3.25-3.49 Acres | \$370,000 |
| 3.50-3.74 Acres | \$385,000 |
| 3.75-3.99 Acres | \$400,000 |
| For 4+ Acres, amount to add per additional acre | Lots over 4 acres are valued at \$400,000 plus \$50,000 per additional acre up to and including 10 acres. For sites over 10 acres use \$35,000 for each acre above 10 acres. |

Land values are not interpolated. However, appraiser judgment may be used to deviate from the model and would be explained in the Note field of Real Property.

| Schedule for Potential Lot Development |
|--|
| \$50,000 per lot |

The potential lot development value represents approximately one-third of the market value of a typical parcel, recognizing the additional costs for development and entrepreneurial profit.

Land Value Model Calibration... Continued

VIEWS

| | | |
|----------------------|-----------|----------|
| Territorial/Olympics | Average | \$20,000 |
| | Good | \$40,000 |
| | Excellent | \$60,000 |

RESTRICTIONS

| | |
|---|-----------------------------|
| TRAFFIC NOISE | |
| Moderate | -\$5,000 |
| High | -\$10,000 |
| Extreme | -\$15,000 |
| ENVIRONMENTAL | |
| Topography | -5% to -70% |
| Restricted Access | -5% to -70% |
| Wetlands/Stream/Floodplains | -5% to -70% |
| Lots that are adjacent to Power or Gas Line Easements | -\$5,000 |
| UNBUILDABLE LOTS | |
| Sites less than 1 Acre | \$25,000 |
| Sites >= 1 Acre | 25% (.25) of Base Lot Value |

Land Valuation Examples:

| | |
|-----------------------------------|------------------|
| 1 acre value | \$235,000 |
| Wetland adjustment less 10% | -\$23,000 |
| Moderate traffic noise adjustment | -\$5,000 |
| Good territorial view | +\$40,000 |
| Total Adjusted Value | \$247,000 |

| | |
|----------------------------------|------------------|
| 7,000 sq. ft. tax lot | \$165,000 |
| Extreme traffic noise adjustment | -\$15,000 |
| Average territorial view | +20,000 |
| Total Adjusted Value | \$170,000 |

Land Value Model Calibration... Continued

Land Value Model Calibration

PLAT VALUES

| PLAT NAME | MAJOR | BASE LAND VALUE |
|---------------------------|--------|-----------------|
| ALDERWOOD | 011070 | \$170,000 |
| ANNANDALE | 024190 | \$180,000 |
| ARCADIA HILLS | 025559 | \$180,000 |
| ARCON DIV NO. 01 | 025590 | \$160,000 |
| BAHAMAS PLAT | 035750 | \$180,000 |
| BRIARMOUNT | 107947 | \$180,000 |
| BRIERE LANE | 109150 | \$170,000 |
| CANYON CREST ESTATES | 133220 | \$170,000 |
| CEDAR AVENUE | 144100 | \$180,000 |
| CHERIE LANE | 154300 | \$190,000 |
| CHESTNUT RIDGE DIV NO. 01 | 156190 | \$190,000 |
| CHESTNUT RIDGE DIV NO. 02 | 156191 | \$190,000 |
| CHESTNUT RIDGE DIV NO. 04 | 156193 | \$190,000 |
| CLEAR WATER COURT | 162070 | \$170,000 |
| COPPER HILL | 174880 | \$180,000 |
| COUGAR MEADOWS | 177830 | \$180,000 |
| COUNTRY VIEW ESTATES | 178960 | \$180,000 |
| COUNTRY VIEW ESTATES II | 178961 | \$170,000 |
| DOVER PLACE | 209560 | \$170,000 |
| EAGLEBROOK | 214127 | \$180,000 |
| EVERGREEN HILLS | 241650 | \$170,000 |
| FREDERICKS PLACE | 264140 | \$180,000 |
| GARRISON CREEK NO. 02 | 270840 | \$190,000 |
| GARRISON GLEN | 270843 | \$180,000 |
| GARRISON HEIGHTS | 270850 | \$170,000 |
| GENEVA COURT | 272850 | \$170,000 |
| GREENLEAF | 290927 | \$180,000 |
| GUINN CREST ADD | 295290 | \$165,000 |
| GUINN CREST NO. 02 | 295300 | \$165,000 |
| HI-PARK TRS 1ST ADD | 338820 | \$180,000 |
| HIGH MEADOW | 327697 | \$170,000 |
| HIGH MEADOW NO. 02 | 327698 | \$170,000 |
| JO-VEL MANOR ADD | 374950 | \$170,000 |
| KAM SINGH PLAT | 378285 | \$180,000 |
| KARA | 379140 | \$190,000 |
| KARA CREST | 379141 | \$190,000 |
| KARA III | 379138 | \$180,000 |
| KAYWOOD ESTATES | 379770 | \$170,000 |

Land Value Model Calibration... Continued

| PLAT NAME | MAJOR | BASE LAND VALUE |
|------------------------------|--------|-----------------|
| KAYWOOD ESTATES II | 379771 | \$170,000 |
| KIRKS ADDITION | 388310 | \$170,000 |
| KRISTEN WOODS | 394360 | \$180,000 |
| LAVENDER HILLS | 422410 | \$190,000 |
| MALABAR HILL DIV NO. 01 | 505480 | \$170,000 |
| MANCE ADD | 507000 | \$170,000 |
| MAPLE TREE ESTATES | 510465 | \$180,000 |
| MAYVILLA PARK NO. 02 | 525210 | \$170,000 |
| MC CANN WESTVIEW ADD | 526700 | \$165,000 |
| MCCANN MEADOWS | 526600 | \$180,000 |
| MORFORD GLEN | 563500 | \$180,000 |
| MORGAN'S PLACE | 564140 | \$180,000 |
| MOUNTAIN VIEW VISTA | 570950 | \$180,000 |
| MURPHEY'S LANDING | 572700 | \$170,000 |
| OLYMPIC PEAK ESTATES | 638512 | \$180,000 |
| OLYMPIC VIEW HEIGHTS | 638650 | \$175,000 |
| OLYMPIC VIEW HEIGHTS NO. 02 | 638655 | \$175,000 |
| PANTHER MEADOW | 662430 | \$180,000 |
| PANTHER RIDGE | 662480 | \$190,000 |
| PARKRIDGE EAST NO. 01 | 666685 | \$170,000 |
| PARKRIDGE EAST NO. 02 | 666686 | \$180,000 |
| RENTON PLACE | 722927 | \$170,000 |
| RENTON PLACE DIV 2 | 722928 | \$170,000 |
| RESERVE AT STONEHAVEN THE | 723800 | \$180,000 |
| RIDGE AT GARRISON CREEK | 729780 | \$180,000 |
| ROSEMARY GLEN | 742900 | \$190,000 |
| SCOTTS TERRACE ADD | 761680 | \$170,000 |
| SOPHIA GLENN | 786180 | \$180,000 |
| SPRINGBROOK TERRACE | 794120 | \$180,000 |
| STAR VIEW ESTATES | 796850 | \$170,000 |
| STONE WOOD | 802990 | \$190,000 |
| STONEPINE | 803560 | \$180,000 |
| STONEPINE EAST | 803565 | \$180,000 |
| SUMMIT PARK – TOWNHOUSE PLAT | 808335 | \$145,000 |
| SUNNYBROOK | 810630 | \$190,000 |
| TALBOT & 55TH AVE. PLAT | 855660 | \$180,000 |
| TALBOT CREST ADD | 855700 | \$170,000 |
| TALBOT ESTATES | 855720 | \$180,000 |
| TALBOT HEIGHTS ADD | 855740 | \$180,000 |
| TALBOT HEIGHTS ADD | 855740 | \$180,000 |
| TALBOT HILL HOMES ADD | 855860 | \$170,000 |

Land Value Model Calibration... Continued

| PLAT NAME | MAJOR | BASE LAND VALUE |
|--------------------------------|--------|-----------------|
| TALBOT RIDGE | 855920 | \$190,000 |
| TALBOT RIDGE ESTATES | 855930 | \$190,000 |
| TODDS ADDITION | 865400 | \$170,000 |
| VALLEY VIEW | 885799 | \$180,000 |
| VALLEY VIEW HEIGHTS ADD NO. 02 | 885840 | \$180,000 |
| VALLEY VIEW HEIGHTS ADD NO. 03 | 885850 | \$180,000 |
| VALLEY VUE ESTATES | 886050 | \$180,000 |
| VICTORIA PARK NO. 01 | 889900 | \$170,000 |
| VICTORIA PARK NO. 02 | 889910 | \$170,000 |
| VICTORIA PARK NO. 03 | 889920 | \$170,000 |
| VICTORIA PARK NO. 04 | 889921 | \$170,000 |
| VISTA HILLS ADD | 895030 | \$170,000 |
| VISTA RIDGE | 895650 | \$170,000 |
| WATERSHED TERRACE | 919770 | \$170,000 |
| WESTVIEW TERRACE ADD | 932050 | \$170,000 |
| WESTVIEW TERRACE NO. 02 | 932060 | \$170,000 |
| WESTVIEW TERRACE NO. 03 | 932070 | \$170,000 |
| WESTVIEW TERRACE NO. 04 | 932080 | \$170,000 |
| WHITNEY HEIGHTS | 937850 | \$170,000 |
| WILDBERRY | 940640 | \$190,000 |
| WILKINSON 2 | 941600 | \$180,000 |
| WILLOW WAY | 943000 | \$170,000 |
| WINDSOR HEIGHTS | 947600 | \$190,000 |
| WINSPIER DIV NO. 01 | 948575 | \$180,000 |
| WINSPIER DIV NO. 02 | 948576 | \$180,000 |
| WINSPIER II | 948574 | \$180,000 |
| ZETTERBERG | 988820 | \$170,000 |

Improved Parcel Valuation

Improved Parcel Data:

Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales were verified if possible by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Due to time constraints, interior inspections were limited. Available sales and additional Area information can be viewed on the Assessor's website with [sales lists](#), [eSales](#) and [Localscape](#). Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.

The Assessor maintains a cost model, which is specified by the physical characteristics of the improvement, such as first floor area, second floor area, total basement area, and number of bathrooms. The cost for each component is further calibrated to the 13 grades to account for quality of construction. Reconstruction Cost New (RCN) is calculated from adding up the cost of each component. Depreciation is then applied by means of a percent good table which is based on year built, grade, and condition, resulting in Reconstruction Cost New less Depreciation (RCNLD). The appraiser can make further adjustments for obsolescence (poor floor plan, design deficiencies, external nuisances etc.) if needed. The Assessor's cost model generates RCN and RCNLD for principal improvements and accessories such as detached garages and pools.

The Assessor's cost model was developed by the King County Department of Assessments in the early 1970's. It was recalibrated in 1990 to roughly approximate Marshall & Swift's square foot cost tables, and is indexed annually to keep up with current costs.

Model Development, Description and Conclusions:

Most sales were field verified and characteristics updated prior to model development. Sales were time adjusted to 1/1/2018.

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values. In addition to standard physical property characteristics, the analysis showed that a location within Subarea 1 (Talbot Hill), age, and condition were influential in the market.

There were minimal or a lack of sales of parcels with improvements in poor condition, buildings with a grade of 4 or less and parcels with multiple improvements. The lack of sales made it impossible to develop specifications within the model for these strata. The parcels with improvements in poor or fair condition, or with grades 4 or less were valued using Replacement Cost New Less Depreciation (RCNLD) plus new land. Parcels with multiple improvements were valued at total EMV for the primary improvement, plus RCNLD for additional improvements. A supplemental model was developed for improvements with Grades 3, 4, 10, 11, 12, and 13. Additionally, a supplemental model was developed for Summit Park townhouse plat. Some of the supplemental models were based on EMV plus a market factor.

Improved Parcel Valuation... Continued

There are 32 manufactured homes as primary residences in Area 59. Replacement Cost New Less Depreciation (RCNLD) was used to value these properties. All of the manufactured homes were field-reviewed and characteristics were updated.

In valuing exception parcels, appraiser judgment was the most important factor with the aid of available Assessor applications and cost tools. A single multiplicative model was developed for Area 59 using market sales data adjusted to 1/1/2018.

Improved Parcel Total Value Model Calibration

| Variable | Definition |
|-------------|------------------------------------|
| Age C | Age of Improvement |
| BaseLandC | 2018 Adjusted Base Land Value |
| GoodYN | Good condition of Improvement |
| Sale Day | Time Adjustment |
| SophiaGlenn | Sophia Glenn Plat |
| Sub1 YN | Located in Sub Area 1 |
| Total RCNC | Reconstruction Cost New |
| VGoodYN | Very Good Condition of Improvement |

Multiplicative Model

$(1-0.075) * \text{EXP}(1.98142856331357 - 0.0917449799230134 * \text{AgeC} + 0.3495318374803 * \text{BaseLandC} + 0.028676725721637 * \text{GoodYN} + 0.000271562750700686 * \text{SaleDay} - 0.0329659533578602 * \text{SophiaGlenn} + 0.0356026040818883 * \text{Sub1YN} + 0.461543912867069 * \text{TotalRcnC} + 0.0691188439144244 * \text{VGoodYN}) * 1000$

EMV values were not generated for:

- Buildings with grade less than 5
- Fair and Poor improvement condition
- Building two or greater. (EMV is generated for building one only.)
- If total EMV is less than base land value
- Lot size less than 100 square feet
- Mobile Homes

Of the improved parcels in the population, 4,191 parcels increased in value.

Of the vacant land parcels greater than \$1000, 157 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

Supplemental Models and Exceptions

Plats:

- Summit Park (Townhouse Plat)
- Major: 808335 - EMV*0.92

Grades:

- Grade < 5 – RCNLD
- Grade 10, 11, 12, 13 – Total EMV*1.04

Condition:

- Fair & Poor – RCNLD

Mobile home:

- RCNLD

More than one building:

- EMV for building #1 + RCNLD for building #2

Physical Inspection Process

Effective Date of Appraisal: January 1, 2018

Date of Appraisal Report: June 18, 2018

Appraisal Team Members and Participation

The valuation for this area was done by the following Appraisal Team. The degree of participation varied according to individual skill in relevant areas and depending on the time they joined the team.

- Solomiya Bilyk – Appraiser II: Team lead, coordination, valuation model development and testing. Land and total valuation appraisals. Sales verification, physical inspection, training and report writing.
- Jeff Holding – Appraiser I: Sales verification, appraisal analysis, land appraisal, training, physical inspection and total valuation.
- Cherie Crothamel – Appraiser I: Sales verification, appraisal analysis, land appraisal, training, physical inspection and total valuation.
- Danielle Tinning – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Lori Robinson – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.

Sales Screening for Improved Parcel Analysis

In order to ensure that the Assessor's analysis of sales of improved properties best reflects the market value of the majority of the properties within an area, non-typical properties must be removed so a representative sales sample can be analyzed to determine the new valuation level. The following list illustrates examples of non-typical properties which are removed prior to the beginning of the analysis.

1. Vacant parcels
2. Mobile Home parcels
3. Multi-Parcel or Multi Building parcels
4. New construction where less than a 100% complete house was assessed for 2017
5. Existing residences where the data for 2017 is significantly different than the data for 2018 due to remodeling
6. Parcels with improvement values, but no characteristics
7. Parcels with either land or improvement values of \$10,000 or less posted for the 2017 Assessment Roll
8. Short sales, financial institution re-sales and foreclosure sales verified or appearing to be not at market

(Available sales and additional Area information can be viewed from [sales lists](#), [eSales](#) and [Localscape](#))

Highest and Best Use Analysis

As If Vacant: Market analysis of the area, together with current zoning and current and anticipated use patterns, indicate the highest and best use of the overwhelming majority of the appraised parcels is single family residential. Any other opinion of highest and best use is specifically noted in our records, and would form the basis for the valuation of that specific parcel.

As If Improved: Where any value for improvements is part of the total valuation, we are of the opinion that the present improvements produce a higher value for the property than if the site was vacant. In appraisal theory, the present use is therefore the highest and best (as improved) of the subject property, though it could be an interim use.

Physical Inspection Process... Continued

Standards and Measurement of Data Accuracy

Sales were verified with the purchaser, seller or real estate agent where possible. Current data was verified via field inspection and corrected. Data was collected and coded per the assessor's residential procedures manual.

We maintain uniformity with respect to building characteristics such as year-built, quality, condition, living area, stories, and land characteristics such as location (sub-area and plat), lot size, views, and waterfront. Other variables that are unique to the specific areas are also investigated. This approach ensures that values are equitable for all properties with respect to all measurable characteristics, whether the houses are larger or smaller, higher or lower quality, remodeled or not, with or without views or waterfront, etc.

Special Assumptions and Limiting Conditions

The sales comparison and cost approaches to value were considered for this mass appraisal valuation. After the sales verification process, the appraiser concluded that the market participants typically do not consider an income approach to value. Therefore the income approach is not applicable in this appraisal as these properties are not typically leased, but rather owner occupied. The income approach to value was not considered in the valuation of this area.

The following Departmental guidelines were considered and adhered to:

- Sales from 1/1/2015 to 12/31/2017 (at minimum) were considered in all analyses.
- Sales were time adjusted to 1/1/2018.
- This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice Standard 6.

Area 059 Market Value Changes Over Time

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time between a range of sales dates and the assessment date. The following chart shows the % time adjustment required for sales to reflect the indicated market value as of the assessment date, **January 1, 2018**.

For example, a sale of \$475,000 which occurred on October 1, 2016 would be adjusted by the time trend factor of 1.132, resulting in an adjusted value of \$537,000 ($\$475,000 * 1.132 = \$537,700$) – truncated to the nearest \$1000.

| SaleDate | Adjustment (Factor) | Equivalent Percent |
|-----------|---------------------|--------------------|
| 1/1/2015 | 1.35 | 34.7% |
| 2/1/2015 | 1.34 | 33.5% |
| 3/1/2015 | 1.33 | 32.5% |
| 4/1/2015 | 1.31 | 31.4% |
| 5/1/2015 | 1.30 | 30.3% |
| 6/1/2015 | 1.29 | 29.3% |
| 7/1/2015 | 1.28 | 28.2% |
| 8/1/2015 | 1.27 | 27.1% |
| 9/1/2015 | 1.26 | 26.1% |
| 10/1/2015 | 1.25 | 25.0% |
| 11/1/2015 | 1.24 | 24.0% |
| 12/1/2015 | 1.23 | 23.0% |
| 1/1/2016 | 1.22 | 22.0% |
| 2/1/2016 | 1.21 | 20.9% |
| 3/1/2016 | 1.20 | 20.0% |
| 4/1/2016 | 1.19 | 19.0% |
| 5/1/2016 | 1.18 | 18.0% |
| 6/1/2016 | 1.17 | 17.0% |
| 7/1/2016 | 1.16 | 16.1% |
| 8/1/2016 | 1.15 | 15.1% |
| 9/1/2016 | 1.14 | 14.1% |
| 10/1/2016 | 1.13 | 13.2% |
| 11/1/2016 | 1.12 | 12.3% |
| 12/1/2016 | 1.11 | 11.4% |
| 1/1/2017 | 1.10 | 10.4% |
| 2/1/2017 | 1.09 | 9.5% |
| 3/1/2017 | 1.09 | 8.7% |
| 4/1/2017 | 1.08 | 7.8% |
| 5/1/2017 | 1.07 | 6.9% |
| 6/1/2017 | 1.06 | 6.0% |
| 7/1/2017 | 1.05 | 5.1% |
| 8/1/2017 | 1.04 | 4.2% |
| 9/1/2017 | 1.03 | 3.4% |
| 10/1/2017 | 1.03 | 2.5% |
| 11/1/2017 | 1.02 | 1.7% |
| 12/1/2017 | 1.01 | 0.8% |
| 1/1/2018 | 1.00 | 0.0% |

The time adjustment formula for Area 059 is: $1/EXP(0.000271562750700686 * \text{SaleDay})$

SaleDay = SaleDate - 43101

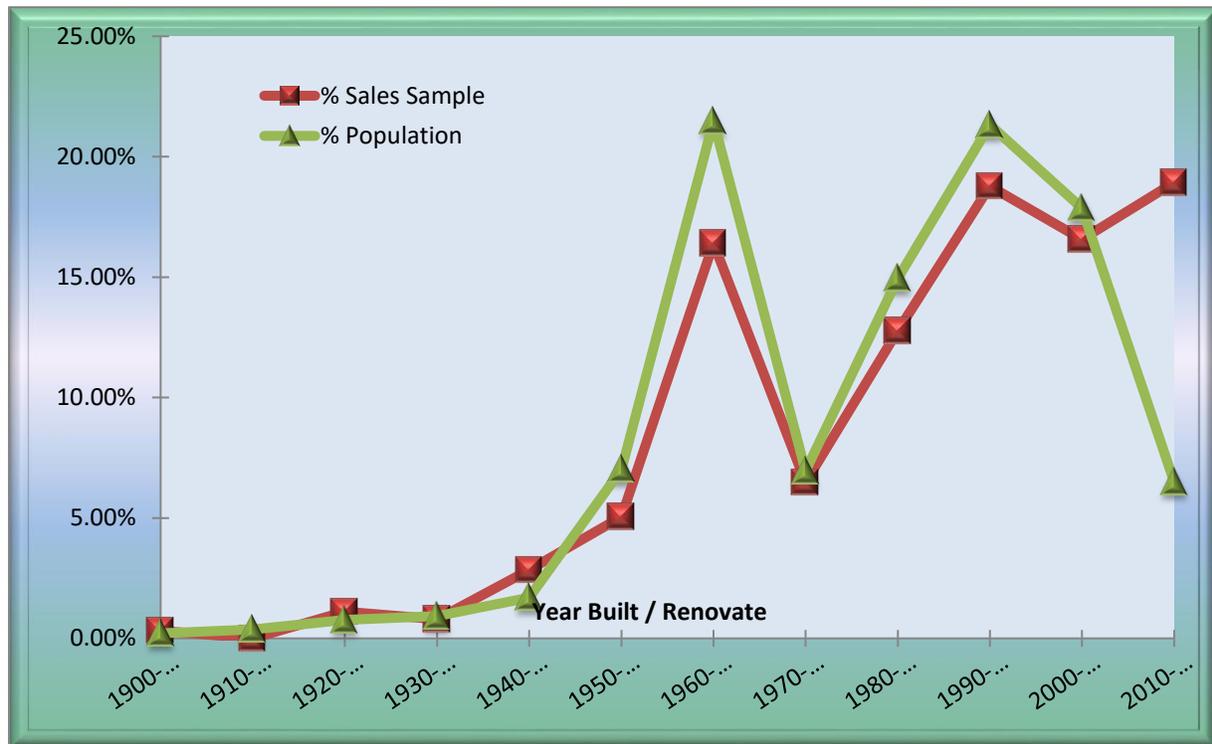
Sales Sample Representation of Population Year Built or Renovated

Sales

| Year Built/Ren | Frequency | % Sales Sample |
|----------------|-----------|----------------|
| 1900-1909 | 2 | 0.32% |
| 1910-1919 | 0 | 0.00% |
| 1920-1929 | 7 | 1.10% |
| 1930-1939 | 5 | 0.79% |
| 1940-1949 | 18 | 2.84% |
| 1950-1959 | 32 | 5.05% |
| 1960-1969 | 104 | 16.40% |
| 1970-1979 | 41 | 6.47% |
| 1980-1989 | 81 | 12.78% |
| 1990-1999 | 119 | 18.77% |
| 2000-2009 | 105 | 16.56% |
| 2010-2018 | 120 | 18.93% |
| | 634 | |

Population

| Year Built/Ren | Frequency | % Population |
|----------------|-----------|--------------|
| 1900-1909 | 9 | 0.21% |
| 1910-1919 | 16 | 0.37% |
| 1920-1929 | 33 | 0.76% |
| 1930-1939 | 40 | 0.92% |
| 1940-1949 | 73 | 1.68% |
| 1950-1959 | 304 | 7.01% |
| 1960-1969 | 931 | 21.48% |
| 1970-1979 | 301 | 6.95% |
| 1980-1989 | 648 | 14.95% |
| 1990-1999 | 924 | 21.32% |
| 2000-2009 | 774 | 17.86% |
| 2010-2018 | 281 | 6.48% |
| | 4,334 | |



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

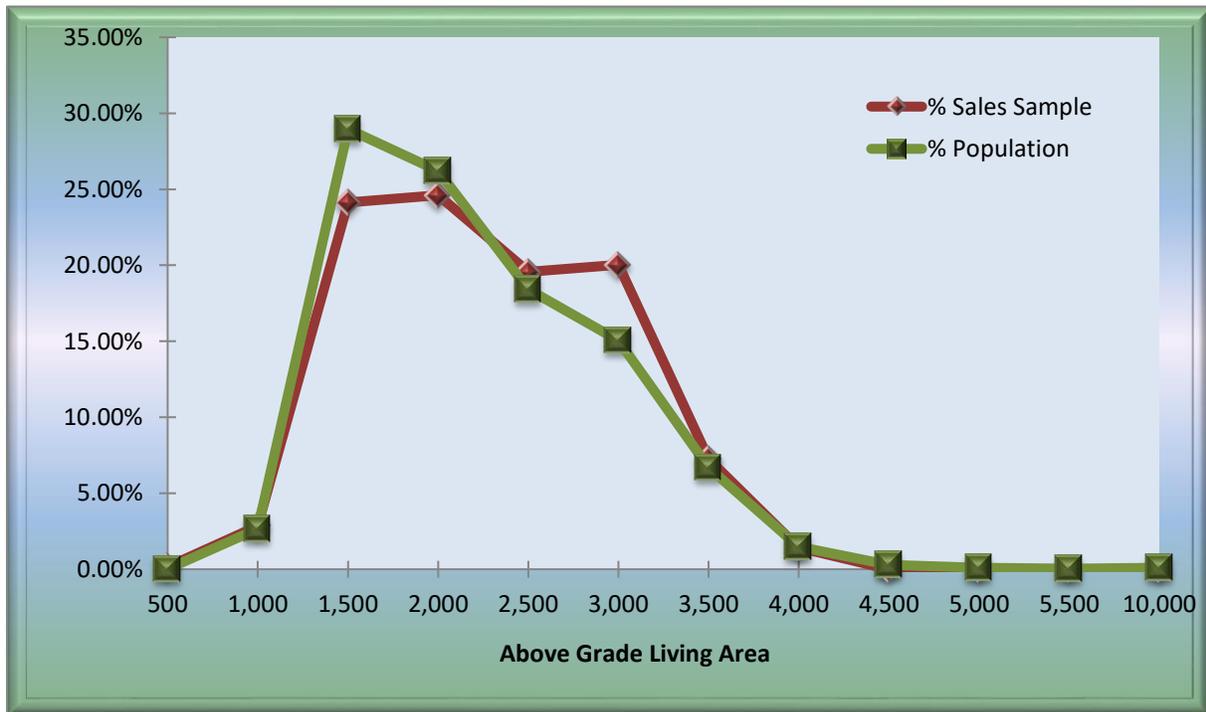
Sales Sample Representation of Population Above Grade Living Area

Sales

| AGLA | Frequency | % Sales Sample |
|--------|-----------|----------------|
| 500 | 1 | 0.16% |
| 1,000 | 18 | 2.84% |
| 1,500 | 153 | 24.13% |
| 2,000 | 156 | 24.61% |
| 2,500 | 124 | 19.56% |
| 3,000 | 127 | 20.03% |
| 3,500 | 46 | 7.26% |
| 4,000 | 9 | 1.42% |
| 4,500 | 0 | 0.00% |
| 5,000 | 0 | 0.00% |
| 5,500 | 0 | 0.00% |
| 10,000 | 0 | 0.00% |
| 634 | | |

Population

| AGLA | Frequency | % Population |
|--------|-----------|--------------|
| 500 | 1 | 0.02% |
| 1,000 | 115 | 2.65% |
| 1,500 | 1,255 | 28.96% |
| 2,000 | 1,136 | 26.21% |
| 2,500 | 798 | 18.41% |
| 3,000 | 652 | 15.04% |
| 3,500 | 290 | 6.69% |
| 4,000 | 64 | 1.48% |
| 4,500 | 13 | 0.30% |
| 5,000 | 4 | 0.09% |
| 5,500 | 2 | 0.05% |
| 10,000 | 4 | 0.09% |
| 4,334 | | |



The sales sample frequency distribution follows the population distribution closely with regard to Above Grade Living Area (AGLA). This distribution is ideal for both accurate analysis and appraisals.

Sales Sample Representation of Population

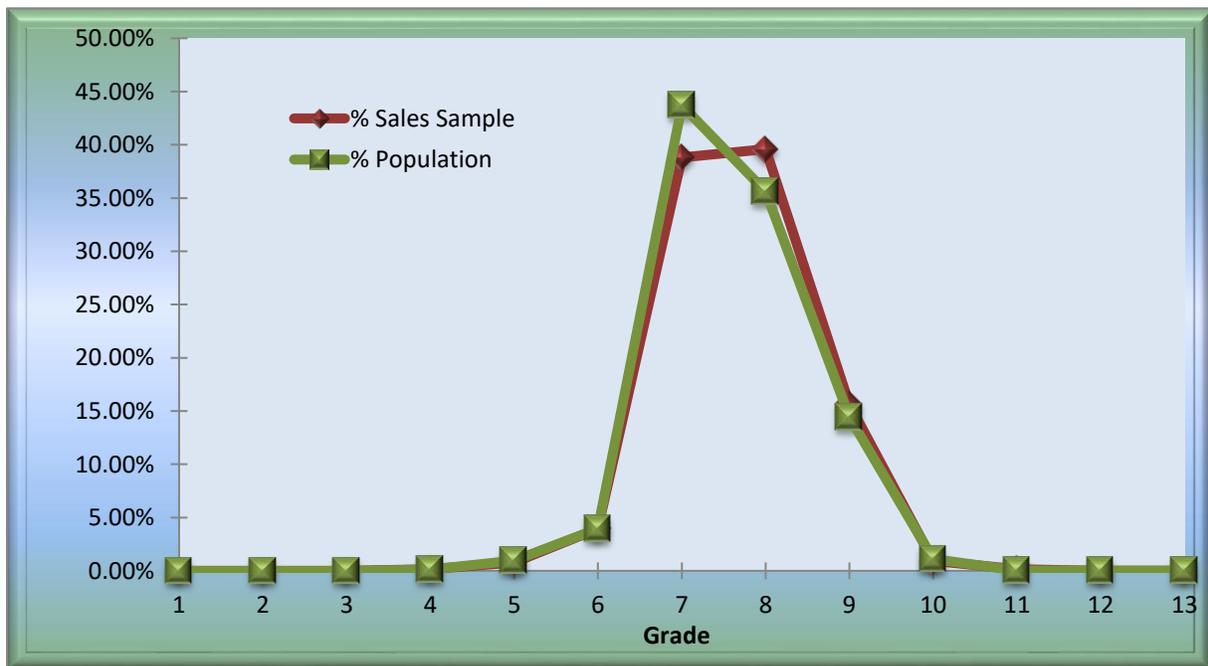
Building Grade

Sales

| Grade | Frequency | % Sales Sample |
|-------|-----------|----------------|
| 1 | 0 | 0.00% |
| 2 | 0 | 0.00% |
| 3 | 0 | 0.00% |
| 4 | 1 | 0.16% |
| 5 | 5 | 0.79% |
| 6 | 25 | 3.94% |
| 7 | 246 | 38.80% |
| 8 | 251 | 39.59% |
| 9 | 99 | 15.62% |
| 10 | 6 | 0.95% |
| 11 | 1 | 0.16% |
| 12 | 0 | 0.00% |
| 13 | 0 | 0.00% |
| | 634 | |

Population

| Grade | Frequency | % Population |
|-------|-----------|--------------|
| 1 | 0 | 0.00% |
| 2 | 0 | 0.00% |
| 3 | 0 | 0.00% |
| 4 | 6 | 0.14% |
| 5 | 42 | 0.97% |
| 6 | 171 | 3.95% |
| 7 | 1,894 | 43.70% |
| 8 | 1,543 | 35.60% |
| 9 | 625 | 14.42% |
| 10 | 48 | 1.11% |
| 11 | 2 | 0.05% |
| 12 | 2 | 0.05% |
| 13 | 1 | 0.02% |
| | 4,334 | |



The sales sample frequency distribution follows the population distribution very closely with regard to Building Grades. This distribution is ideal for both accurate analysis and appraisals.

Results

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

The assessment level target for all areas in King County, including this area, is 92.5. The actual assessment level for this area is 92.1% . The standard statistical measures of valuation performance are all within the IAAO recommended range of .90 to 1.10.

Application of these recommended values for the 2018 assessment year (taxes payable in 2019) results in an average total change from the 2017 assessments of +12.9%. This increase is due partly to market changes over time and the previous assessment levels.

A Ratio Study was completed just prior to the application of the 2018 recommended values. This study benchmarks the prior assessment level using 2017 posted values (1/1/2017) compared to current adjusted sale prices (1/1/2018). The study was also repeated after the application of the 2018 recommended values. The results show an improvement in the COD from 7.95% to 6.17%.

The Appraisal Team recommends application of the Appraiser selected values, as indicated by the appropriate model or method.

Note: More details and information regarding aspects of the valuations and the report are retained in the working files kept in the appropriate district office.

Area Number Housing Profile



Grade 5/ Year Built 1943/ Total Living Area 720



Grade 8/ Year Built 1969/ Total Living Area 2100



Grade 6/ Year Built 1947/ Total Living Area 1090



Grade 9 /Year Built 2006/ Total Living Area 3020



Grade 7/ Year Built 1964/ Total Living Area 1860



Grade 10/ Year Built 2001/Total Living Area 3570

Glossary for Improved Sales

Condition: Relative to Age and Grade

- 1= Poor Many repairs needed. Showing serious deterioration.
- 2= Fair Some repairs needed immediately. Much deferred maintenance.
- 3= Average Depending upon age of improvement; normal amount of upkeep for the age of the home.
- 4= Good Condition above the norm for the age of the home. Indicates extra attention and care has been taken to maintain.
- 5= Very Good Excellent maintenance and updating on home. Not a total renovation.

Residential Building Grades

- Grades 1 - 3 Falls short of minimum building standards. Normally cabin or inferior structure.
- Grade 4 Generally older low quality construction. Does not meet code.
- Grade 5 Lower construction costs and workmanship. Small, simple design.
- Grade 6 Lowest grade currently meeting building codes. Low quality materials, simple designs.
- Grade 7 Average grade of construction and design. Commonly seen in plats and older subdivisions.
- Grade 8 Just above average in construction and design. Usually better materials in both the exterior and interior finishes.
- Grade 9 Better architectural design, with extra exterior and interior design and quality.
- Grade 10 Homes of this quality generally have high quality features. Finish work is better, and more design quality is seen in the floor plans and larger square footage.
- Grade 11 Custom design and higher quality finish work, with added amenities of solid woods, bathroom fixtures and more luxurious options.
- Grade 12 Custom design and excellent builders. All materials are of the highest quality and all conveniences are present.
- Grade 13 Generally custom designed and built. Approaching the Mansion level. Large amount of highest quality cabinet work, wood trim and marble; large entries.

USPAP Compliance

Client and Intended Use of the Appraisal:

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

USPAP Compliance...Continued

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

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

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

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

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

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

Date of Value Estimate

RCW 84.36.005

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

RCW 36.21.080

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

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

USPAP Compliance...Continued

Property Rights Appraised: Fee Simple

Wash Constitution Article 7 § 1 Taxation:

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

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

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

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

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

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

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

Assumptions and Limiting Conditions:

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

USPAP Compliance...Continued

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

Scope of Work Performed:

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

Certification:

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

- The statements of fact contained in this report are true and correct
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

USPAP Compliance...Continued

- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.
- The individuals listed below were part of the "appraisal team" and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser or in any other capacity is listed adjacent their name.
- To the best of my knowledge the following services were performed by the appraisal team within the subject area in the last three years:

| | |
|---|--------------------------------|
| Jeff Holding, Cherie Crothamel, Danielle Tinning, Lori Robinson | -Data Collection |
| Jeff Holding, Cherie Crothamel, Danielle Tinning, Lori Robinson | -Sales Verification |
| Jeff Holding, Cherie Crothamel, Danielle Tinning, Lori Robinson | - Appeals Response Preparation |
| Jeff Holding, Cherie Crothamel, Danielle Tinning, Lori Robinson | -Appeal Hearing Attendance |
| Jeff Holding, Cherie Crothamel, Danielle Tinning, Lori Robinson | -Land and Total Valuation |
| Jeff Holding, Cherie Crothamel, Danielle Tinning, Lori Robinson | -New Construction Evaluation |

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

| | |
|----------------|---|
| Solomiya Bilyk | Annual Up-Date Model Development and Report Preparation |
| Solomiya Bilyk | Data Collection |
| Solomiya Bilyk | Sales Verification |
| Solomiya Bilyk | Appeals Response Preparation/Review |
| Solomiya Bilyk | Appeal Hearing Attendance |


Appraiser II

06/18/2018

Date



King County

Department of Assessments

King County Administration Bldg.
500 Fourth Avenue, ADM-AS-0708
Seattle, WA 98104-2384
(206) 296-7300 FAX (206) 296-0595
Email: assessor.info@kingcounty.gov

John Wilson
Assessor

As we start preparations for the 2018 property assessments, it is helpful to remember that the mission and work of the Assessor's Office sets the foundation for efficient and effective government and is vital to ensure adequate funding for services in our communities. Maintaining the public's confidence in our property tax system requires that we build on a track record of fairness, equity, and uniformity in property assessments. Though we face ongoing economic challenges, I challenge each of us to seek out strategies for continuous improvement in our business processes.

Please follow these standards as you perform your tasks.

- Use all appropriate mass appraisal techniques as stated in Washington State Laws, Washington State Administrative Codes, Uniform Standards of Professional Appraisal Practice (USPAP), and accepted International Association of Assessing Officers (IAAO) standards and practices.
- Work with your supervisor on the development of the annual valuation plan and develop the scope of work for your portion of appraisal work assigned, including physical inspections and statistical updates of properties;
- Where applicable, validate correctness of physical characteristics and sales of all vacant and improved properties.
- Appraise land as if vacant and available for development to its highest and best use. The improvements are to be valued at their contribution to the total in compliance with applicable laws, codes and DOR guidelines. The Jurisdictional Exception is applied in cases where Federal, State or local laws or regulations preclude compliance with USPAP;
- Develop and validate valuation models as delineated by IAAO standards: Standard on Mass Appraisal of Real Property and Standard on Ratio Studies. Apply models uniformly to sold and unsold properties, so that ratio statistics can be accurately inferred to the entire population.
- Time adjust sales to January 1, 2018 in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standard 6 for Mass Appraisals. The intended users of your appraisals and the written reports include the public, Assessor, the Boards of Equalization and Tax Appeals, and potentially other governmental jurisdictions. The intended use of the appraisals and the written reports is the administration of ad valorem property taxation.

Thank you for your continued hard work on behalf of our office and the taxpayers of King County. Your dedication to accurate and fair assessments is why our office is one of the best in the nation.

John Wilson
King County Assessor