

Capitol Hill

Area: 25

Commercial Revalue for 2020 Assessment Roll



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

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<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 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 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 neighborhood. 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 occupant 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 Commercial Properties Valued?

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

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

How is Assessment Uniformity Achieved?

The Assessor achieves uniformity of assessments through standardization of rate tables for incomes, operating expenses, vacancy and credit loss collections and capitalization rates which are uniformly applied to similarly situated commercial properties. Rate tables are generated annually that identify specific rates based on location, age, property type, improvement class, and quality grade. Rate tables are annually calibrated and updated based on surveys and collection of data from local real estate brokers, professional trade publications, and regional financial data sources. With up-to-date market rates we are able to uniformly apply the results back to properties based on their unique set of attributes.

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

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

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

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

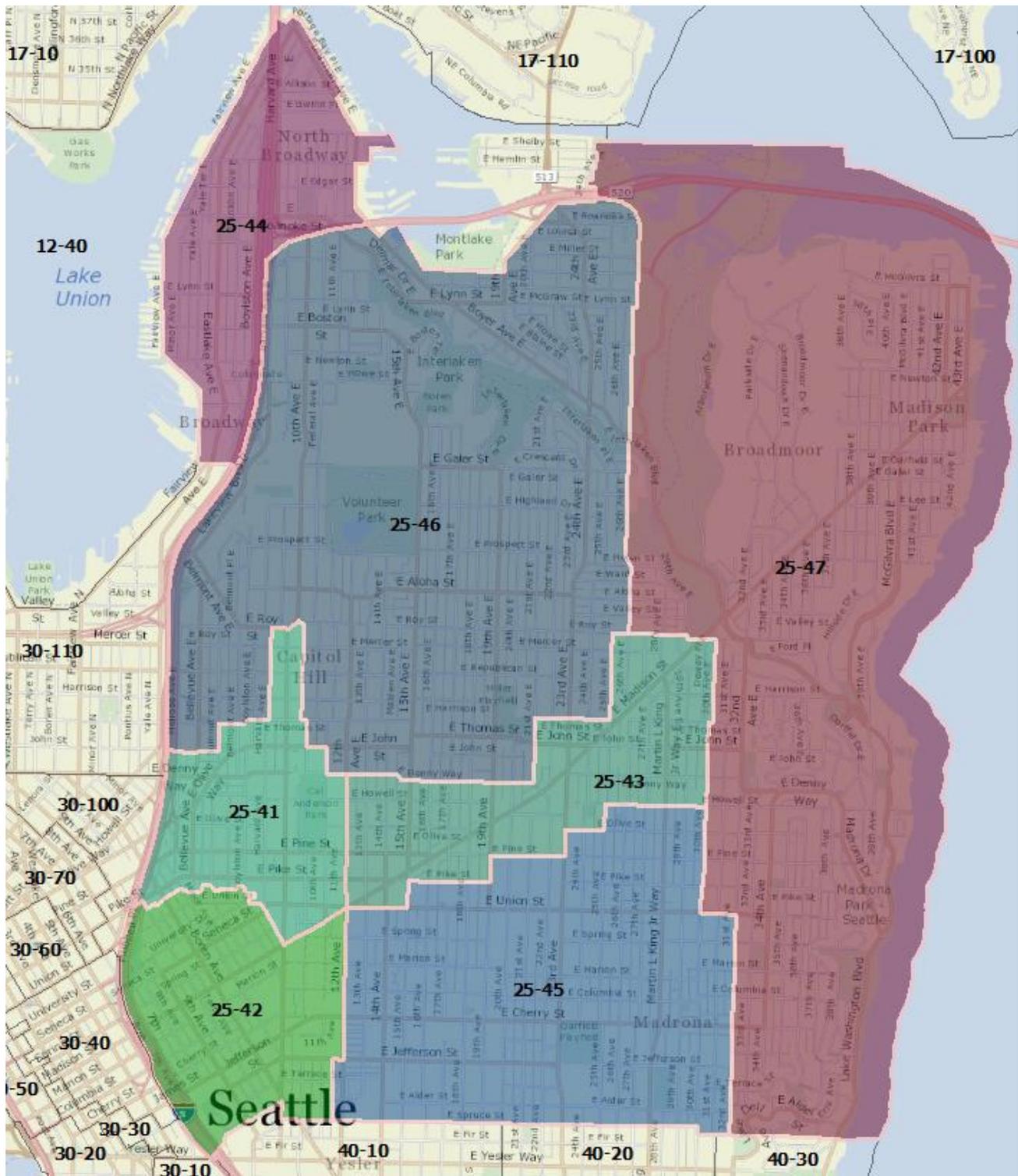
Requirements of State Law

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.

AREA 25 MAP



Area 25 Annual Update Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

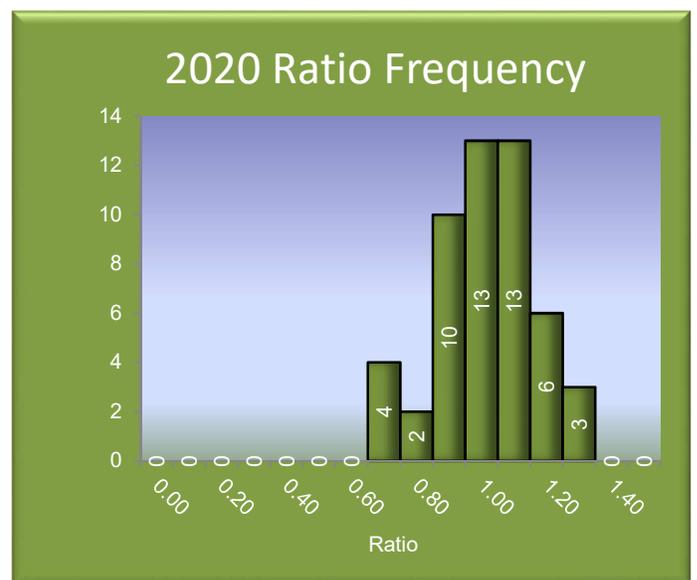
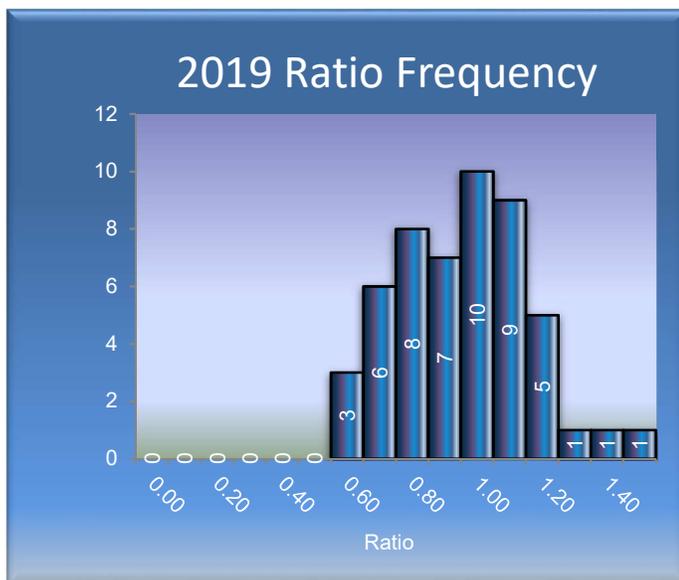
Pre-revalue ratio analysis compares sales from 2017 through 2019 in relation to the previous assessed value as of 1/1/2019.

PRE-REVALUE RATIO SAMPLE STATISTICS	
<i>Sample size (n)</i>	51
<i>Mean Assessed Value</i>	3,844,500
<i>Mean Adj. Sales Price</i>	4,297,500
<i>Standard Deviation AV</i>	4,424,968
<i>Standard Deviation SP</i>	4,859,265
ASSESSMENT LEVEL	
<i>Arithmetic Mean Ratio</i>	0.910
<i>Median Ratio</i>	0.904
<i>Weighted Mean Ratio</i>	0.895
UNIFORMITY	
<i>Lowest ratio</i>	0.5129
<i>Highest ratio:</i>	1.7451
<i>Coefficient of Dispersion</i>	17.69%
<i>Standard Deviation</i>	0.2147
<i>Coefficient of Variation</i>	23.59%
<i>Price Related Differential (PRD)</i>	1.02

POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares sales from 2017 through 2019 and reflects the assessment level after the property has been revalued to 1/1/2020.

POST REVALUE RATIO SAMPLE STATISTICS	
<i>Sample size (n)</i>	51
<i>Mean Assessed Value</i>	4,087,600
<i>Mean Sales Price</i>	4,297,500
<i>Standard Deviation AV</i>	4,574,401
<i>Standard Deviation SP</i>	4,859,265
ASSESSMENT LEVEL	
<i>Arithmetic Mean Ratio</i>	0.968
<i>Median Ratio</i>	0.971
<i>Weighted Mean Ratio</i>	0.951
UNIFORMITY	
<i>Lowest ratio</i>	0.6273
<i>Highest ratio:</i>	1.2990
<i>Coefficient of Dispersion</i>	12.57%
<i>Standard Deviation</i>	0.1563
<i>Coefficient of Variation</i>	16.16%
<i>Price Related Differential (PRD)</i>	1.02



Executive Summary Report

Appraisal Date January 1, 2020

Geographic Appraisal Area:

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

Sales – Improved Summary

- Number of Sales: 54 total, with 51 included in the Ratio Study
- Range of Sales Dates: January 6, 2017 to December 27, 2019

Sales – Ratio Study Summary

Sales--Improved Valuation Change Summary				
	Mean Assessed Value	Mean Sale Price	Ratio	COD*
2019 Value	\$3,844,500	\$4,297,500	89.50%	17.69%
2020 Value	\$4,087,600	\$4,297,500	95.10%	12.57%
Abs. Change	\$243,100		5.60%	-5.12%
% Change	6.32%		6.26%	-28.94%

*Coefficient of dispersion (COD) is a measure of uniformity, a lower number indicates better uniformity

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

Total Population - Parcel Summary Data			
	Land	Improvements	Total
2019 Value	\$4,859,201,100	\$3,353,542,930	\$8,212,744,030
2020 Value	\$5,524,672,000	\$3,400,254,400	\$8,924,926,400
% Change	13.70%	1.39%	8.67%

Number of Parcels in the Population: **1,344**, excluding properties valued as part of a specialty.

Conclusion and Recommendation:

Total assessed values for the 2020 revalue have increased 8.67%.

The values recommended in this report improve uniformity and equity; therefore, it is recommended they should be posted for the 2020 Assessment Year.

Area Identification

Area Name

Area 25 - Capitol Hill

Area 25 Neighborhoods

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

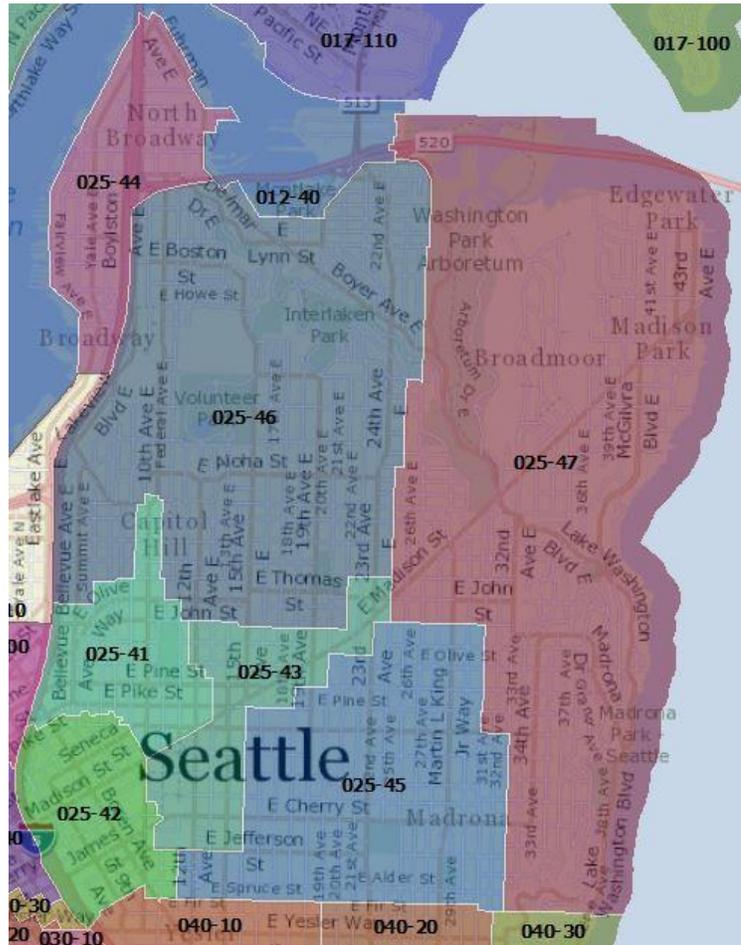
Boundaries

North: Lake Union Ship Canal

South: East Spruce Street

West: Interstate 5 and Lake Union

East: Lake Washington



Maps

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

Area Description

Area 25 is centrally located between the downtown core on the west and Lake Washington on the east; it is divided into seven neighborhoods: Broadway-Pike/Pine, First Hill, Madison-Seattle U., North Capitol Hill-Montlake, Central District, Eastlake, and Madison Park-Madrona. The Capitol Hill geo area is predominantly a high-density residential area with interspersed business cores.

The seven different neighborhoods are similar in their mixed-use compositions but all unique in their own rights. Urban density is concentrated in the southwest portion of the area and becomes more suburban in character as one goes north or east. Broadway-Pike/Pine is the urban retail core, with an active nightlife scene and many small retail shops. First Hill has the tallest buildings and is the medial services hub of the region. The Central District has a long history as one of Seattle's most diverse neighborhoods. North Capitol Hill is predominantly a residential neighborhood with a mix of historic mansions and small commercial centers. Madison Park-Madrona is known for its abundance of parks, water views, and waterfront developments. The Madison St & 12th Ave corridors are a transition area between the urban centers to the west and the Lake Washington neighborhoods to the east as well as between The Central District and North Capitol Hill. Eastlake is unique for its location squeezed between Capitol Hill, Lake Union, Downtown Seattle, and the University District.

Area Overview

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

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

Gentrification has become a major issue in this area as the economy has boomed over the past several years. Long-time residents, particularly renters, are seeing their housing expenses rapidly increase as wealthier households choose to move into this area. Government officials and activists continue to debate over the best way to solve this issue. Some argue that we simply need more housing units, and incentives should be put in place to allow developers to build more. Others argue that the new development is too luxurious and contributes to the problem. Seattle Mayor Ed Murray created the Housing Affordability and Livability Agenda (HALA) in 2014 to tackle this issue. His HALA Advisory Committee came up with a long list of recommendations, which the city then spent years working to implement. One example is the Mandatory Housing Affordability (MHA) program, which changes zoning to allow for denser development but requires new development to include some affordable housing on-site or pay a fee that the city will use to expand affordable housing options. The goal is that these changes will limit displacement throughout the rest of this economic boom, allowing a wide variety of households to continue to live in Area 25. Implementation of MHA zoning changes began in 2017, with The Central District seeing the first changes among Area 25 neighborhoods. In March 2019 the City Council approved citywide MHA (Mandatory Housing Affordability) legislation that took effect on April 19, 2019.

Vacant land sales activity had a gradual decrease in 2019. There were 13 arms-length transactions in 2019 compared to 17 in 2018, 13 in 2017, and 28 in 2016.

Improved sales volume increased from 13 sales in 2018 to 18 in 2019. Sales volume rose steadily from 9 sales in 2012 to 23 sales in 2017.

Broadway-Pike/Pine (25-41)

Boundaries: Clockwise from the west, the boundaries are I-5, E John St, Summit Ave E, E Thomas St, Harvard Ave E, E Roy St, 10th Ave E, E John St, 11th Ave E, E Denny Way, halfway between 11th Ave and 12th Ave, E Olive St, 15th Ave E, E Madison St, Harvard Ave, and the southern edge of Seattle's Pike/Pine Overlay.

Neighborhood Description:

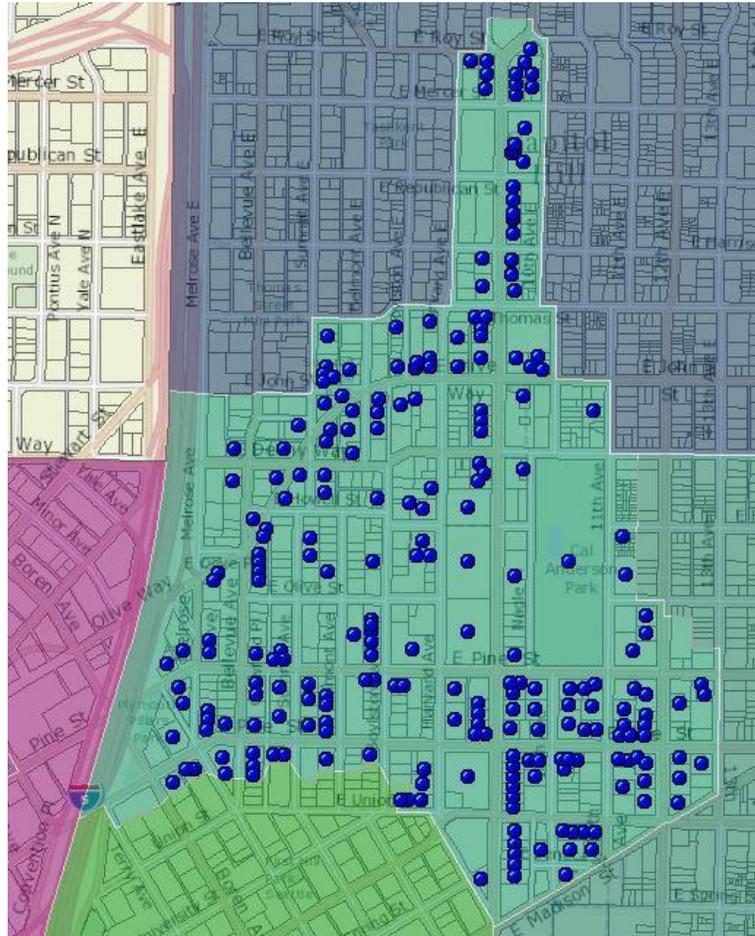
This neighborhood is a vibrant urban gateway to Downtown Seattle and one of Seattle's oldest neighborhoods. Its economy is healthy and seems to change daily. This is partially due to the proximity to downtown, and the concentration of universities, schools and major medical employers nearby.

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

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

Construction at the Capitol Hill Link Light Rail Station began in June 2018 of a mixed-use development with affordable housing, retail, and community space totaling 428 housing units (178 reserved for low-income tenants) and 39,150 square feet of commercial and community space. The project is expected to be completed in late 2020.

Another major addition to the neighborhood was the recent completion of the new Kelly Springfield Office Building at 1525 11th Ave. This site was previously home to a Value Village thrift store and before that was REI's first location. It's named after the first tenant to occupy this site, in 1917: the Kelly-Springfield Truck Motor Company. The street-facing façade from the original 1917 building was preserved while the rest of the site was built into a large modern office building. Microsoft now occupies one floor while WeWork occupies the rest of the 85,112 square feet of net rentable office space.



First Hill (25-42)

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

Neighborhood Description:

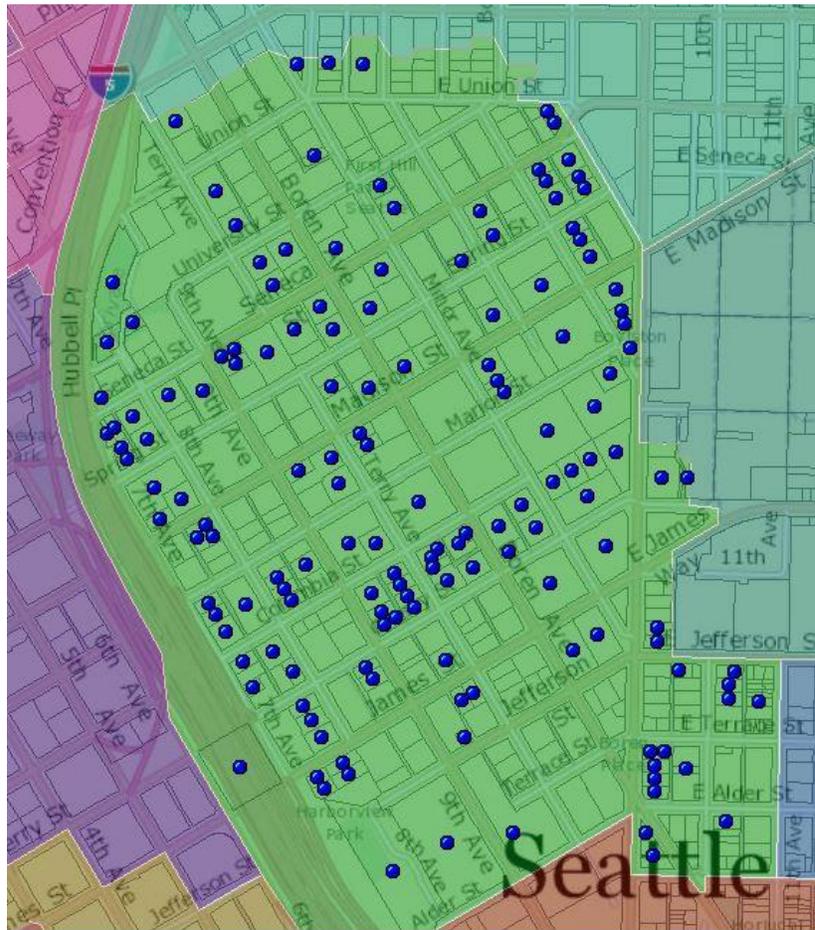
First Hill is the central medical hub for the Seattle area. Several major medical centers are located here, including Swedish, Harborview, and Virginia Mason. The presence of these three major institutions has attracted many small businesses providing supportive medical services.

This is the only neighborhood in Area 25 where zoning allows buildings over 95 feet. Thus, this neighborhood serves as a transition area where high-rises that are common west of I-5 in downtown mix with the dense residential areas characteristic of Capitol Hill.

In addition to the tall buildings, the crown of First Hill is over 300 feet above sea-level. So, the tall buildings combined with high base elevation allows for many properties with great views of the surrounding terrain.

One example of a recent development analogous to this neighborhood is the new condominium at 1001 Broadway (the western corner of Madison Street and Harvard Avenue), The Danforth. This 16-story building was completed in 2018 with 265 residential units above 45,000 square feet of retail occupied by Whole Foods. This location, on the edge of the NC3P-160 zone, allowed it to build 160 feet tall while still being close to the active retail corridor on Broadway. In addition, it's tall height and location just uphill from Broadway gives the residential units desirable easterly views.

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

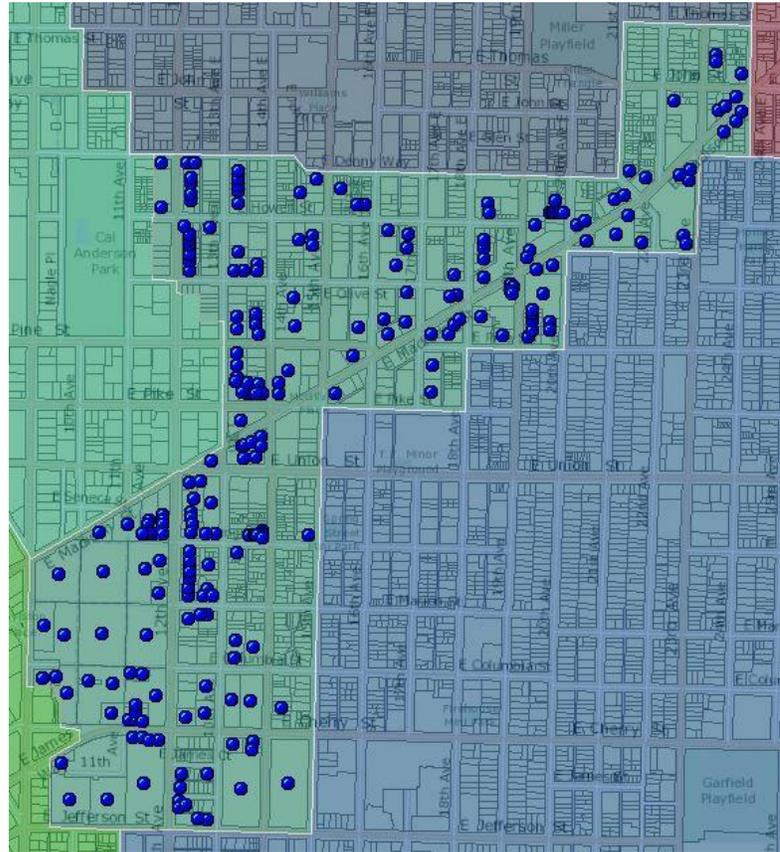


Madison-Seattle U. (25-43)

Boundaries: Clockwise from the west, the boundaries are E Denny Way, 21st Ave E, E Thomas St, 25th Ave E, E Denny Way, 23rd Ave, E Olive St, 20th Ave, E Pine St, 18th Ave, E Pike St, 15th Ave, E Jefferson St, the western edge of Seattle University, E Madison St, 13th Ave, E Olive St, and a line halfway between 11th Ave and 12th Ave.

Neighborhood Description:

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



One intersection in this neighborhood that has been transformed recently with a lot of development is where E Madison St meets 22nd Ave and E Denny Way. Twenty20MAD Apartments, a 157-unit apartment building on the west corner was completed in 2017. In addition, a significant transaction took place on the north corner between two developers. Jim Mueller acquired the property in 2014 for \$1.8 Million, spent three years coming up with design plans and getting construction permits in place for a 6-story building with 50 apartments and 3,800 square feet of street-front retail, then sold it for \$4.6 Million in September 2017 to investor Xiao Wei Yang. Soon after the sale the old Firestone Tire building was demolished in preparation for construction. This deal provides evidence that investors are willing to pay a significant premium when a project is “shovel-ready.” Avant Apartments opened up for residents on this site in July 2019.

Seattle University has begun construction on their new Center for Science and Innovation at the SW corner of 12th Ave and E Marion St. This new 5-story, 111,000 square foot science building will expand Seattle University’s footprint in the neighborhood which should provide an economic stimulus to neighboring businesses that support Seattle University students and staff. This new building is expected to open in 2021.

Other developments in the neighborhood tend to be developers increasing residential density in the neighborhood. One example is at the NE corner of 14th Ave and Spring St, where an old church has been torn down to make room for 26 new townhomes.

Eastlake (25-44)

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

Neighborhood Description:

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

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

One notable project in the development pipeline is a proposed Aegis Assisted Living building at the SE corner of Eastlake Ave E and E Newton St. Aegis purchased this property in July 2016 for \$4.3 Million (\$282/SF) and by early 2017 they had applied for a land use permit to build a 6-story building with 77 assisted living units. The old office building on this site was demolished in early 2020, marking the start of construction.

In addition, a new 4-story bioscience laboratory on the north side of E Blaine St, between Eastlake Ave E and Fairview Ave E was completed in 2019. The Atrium, at 1818 Fairview, has over 200,000 square feet of class-A office/lab space, a ground-floor restaurant, and parking for over 200 vehicles.

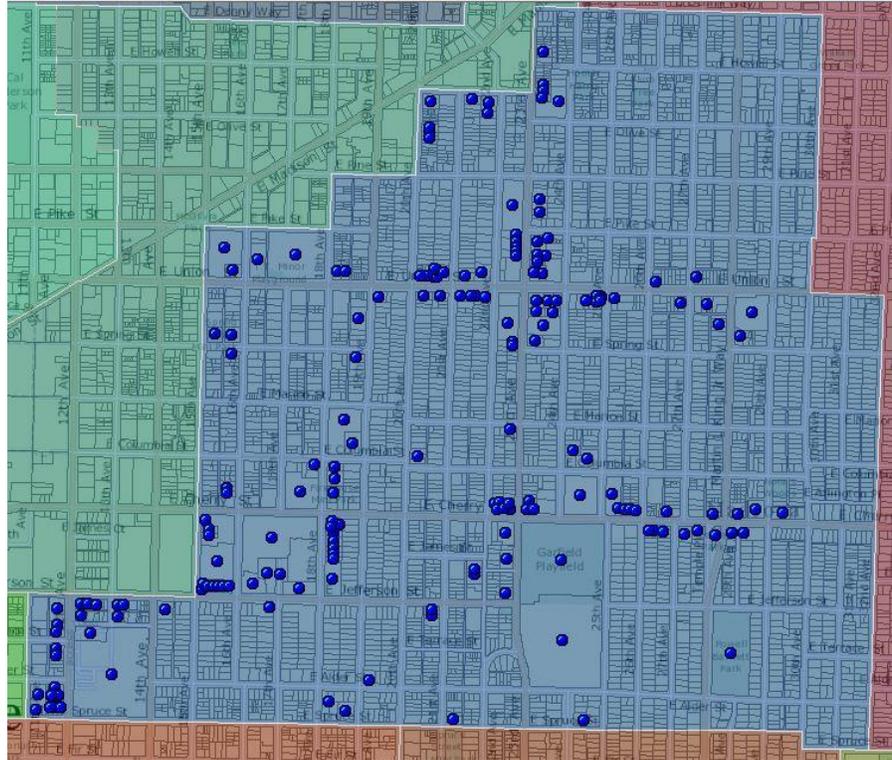


Central District (25-45)

Boundaries: Clockwise from the west, the boundaries are E Jefferson St, 15th Ave, E Pike St, 18th Ave, E Pine St, 20th Ave, E Olive St, 23rd Ave, E Denny Way, 30th Ave, E Union St, 32nd Ave, E Spruce St, and 11th Ave.

Neighborhood Description:

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



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

The intersection of 23rd and Union continues to see the biggest transformation. Construction is complete on a new 6-story mixed-use building at the NW corner with 145 units plus 20,000 square feet of retail. A block east on Union St nonprofit affordable housing provider, Capitol Hill Housing, and nonprofit community land trust, Africatown, opened a new development called Liberty Bank Apartments in March 2019. The name is in honor of the historic bank that occupied this site from 1968 to 1988. This new development has 115 affordable units reserved for those making 30% to 60% of the area median income.

Up next, the Midtown Center at the SE corner of 23rd Ave and Union St is being redeveloped. The plan for this block almost fell through after the Design Review Board rejected the original proposal in January 2017, causing investors to walk away from the project. However, developer Lake Union Partners agreed to partner Africatown to buy the block for \$23.25 million (\$219/SF) and spur new life into this project. "Africatown Plaza" will be developed on the southern 20% of the block while "Midtown Commons" will be built on the northern 80%. A shared courtyard will separate the two. Midtown Commons spent 2018 in negotiations with the Design Review board and was approved for construction in March 2019. The final design includes over 433 apartment units (125 reserved for those making 60% to 85% of the area median income) and 20,000 square feet of retail around a public square, and underground parking for 255 vehicles. Construction began on Midtown Commons in Fall 2019. Africatown Plaza is close to securing permits for 130 units and construction is expected to begin shortly thereafter.

North Capitol Hill-Montlake (25-46)

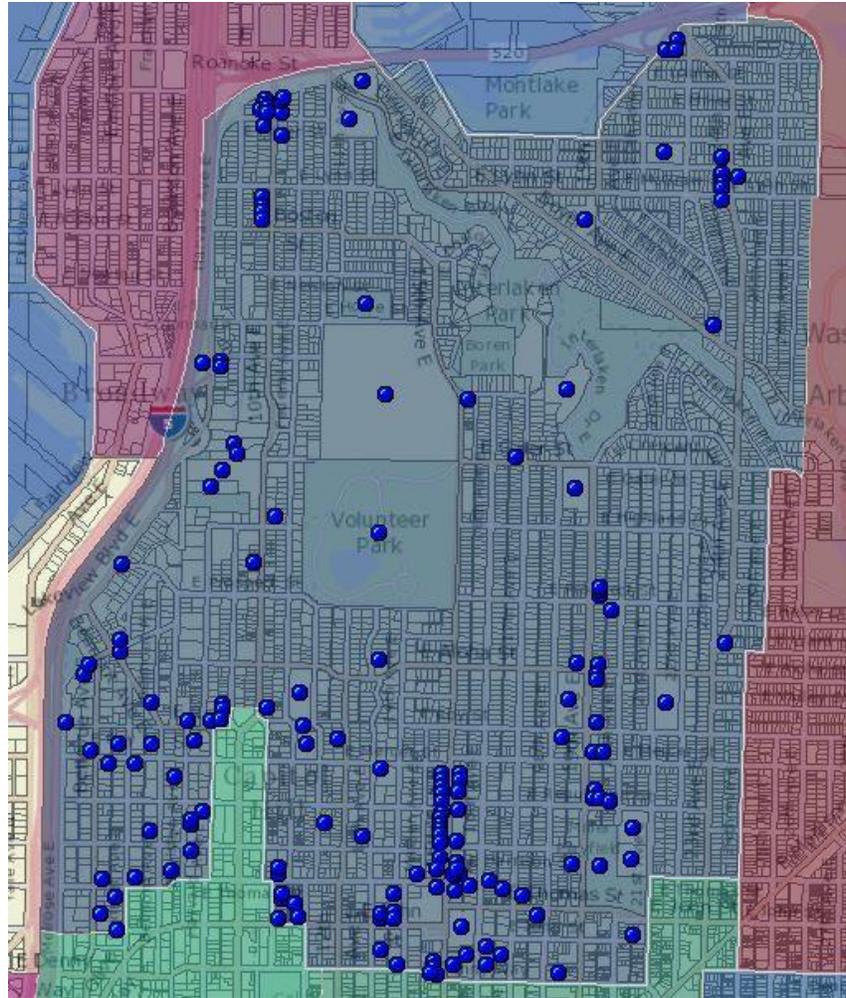
Boundaries: Clockwise from the west, the boundaries generally are I-5, SR-520, The Washington Park Arboretum, E Galer St, 25th Ave E, E Ward St, 24th Ave E, E Thomas St, 21st Ave E, E Denny Way, 11th Ave E, E John St, 10th Ave E, E Roy St, Harvard Ave E, E Thomas St, Summit Ave E, and E John St.

Neighborhood Description:

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

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

Another significant landmark in this neighborhood is the Asian Art Museum located within Volunteer Park. It was closed for three years, from February 2017 to February 2020 for a major renovation and expansion project. In those three years, they restored the art deco architecture as well as adding around 14,000 square feet of space for additional galleries and event space.



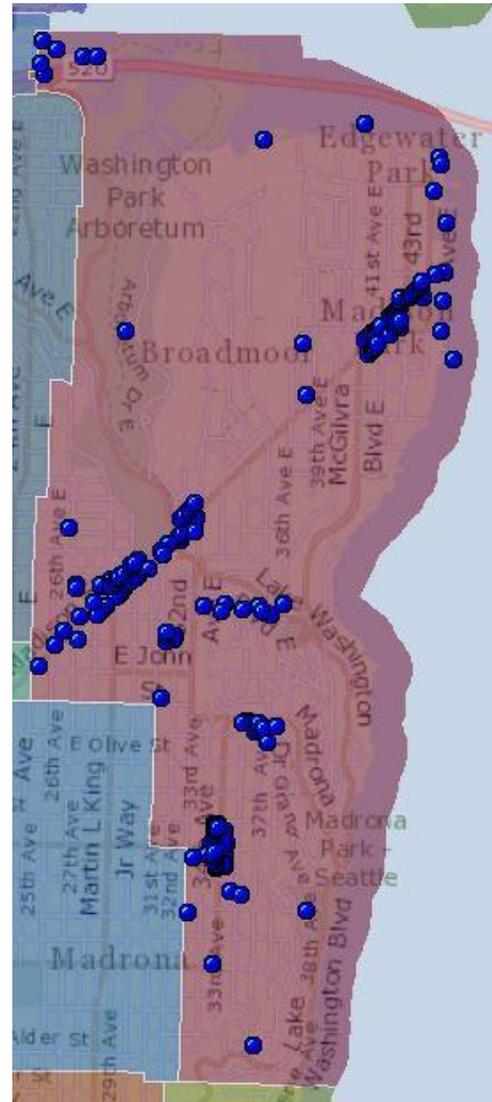
Madison Park-Madrona, (25-47)

Boundaries: Clockwise from the east, the boundaries are generally Lake Washington, an east/west line parallel to E Spruce St, 32nd Ave, E Union St, 30th Ave, E Denny Way, 24th Ave E, E Ward St, 25th Ave E, and the western edge of the Washington Park Arboretum.

Neighborhood Description:

This Madison Park Madrona neighborhood runs north / south along the western shore of Lake Washington. There are several waterfront multi-family developments and small lakeside parks. One large draw is the Seattle Arboretum. There are also several private schools throughout. The commercial activity is mostly centered in Madison Park along Madison Street east of McGilvra Blvd, Madison Valley west of 32nd Ave E, and in Madrona on 34th Ave and E Union Street.

One significant project in the pipeline is a six-story mixed-use building in Madison Valley just south of the Washington Park Playfields, at 2925 E Madison St. A PCC Grocery Store and 82 residential units are planned for this site where City People's Garden Store currently sits. The developer had originally hoped to start construction in early 2017 and finish in early 2018, but they faced significant opposition from a neighborhood group named Save Madison Valley, resulting in it being redesigned three times. After its fourth early design review meeting over a span of 14 months, it finally got approval to move forward in September 2017, but Save Madison Valley quickly appealed this decision to the Seattle Hearing Examiner, asking them to reverse design review. The Hearing Examiner ruled in favor of the developer in February 2018. In April 2019, Save Madison Valley filed a lawsuit with King County Superior Court. The construction start date on this project remains unclear.



Analysis Process

Effective Date of Appraisal: January 1st, 2020

Date of Appraisal Report: April 15th, 2020

The following appraiser did the valuation for this geographic area:

- David O’Hern – Commercial Appraiser II

Highest and Best Use Analysis

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

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

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

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

Standards and Measurement of Data Accuracy

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

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 Pike/Pine Corridor was physically inspected for the 2020 assessment year, specifically properties west of 15th Ave, north of Union St, east of I-5, and south of Denny Way. This inspection area comprised 208 parcels, or approximately 16% of the 1,344 total



parcels located in Area 25 (not including specialty properties). A list of the physically inspected parcels is included in the addendum of this report.

Scope of Data

Land Value Data: Vacant commercial land sales in Area 25 that closed between 1/1/2017 to 12/31/2019 were given primary consideration for valuing the land parcels in Area 25. Only sales that were concluded to be “arm’s length” were used. Transactions from other nearby areas were considered as well; these sales do not appear in the list of “Vacant Sales for Area 25 Used,” but can be found in adjoining commercial area reports. 38 arm’s length land sales closed during this period. These sales were given primary consideration for determining land values as of 1/1/2020.

Improved Parcel Total Value Data: Improved sales that closed between 1/1/2017 to 12/31/2019 were given primary consideration for valuing the parcels in Area 25. Sales information is obtained from excise tax affidavits and reviewed initially by the Sales Identification Section of the Accounting Division. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales were verified, if possible, by contacting either the purchaser or seller, inquiring in the field, or contacting the real estate broker. Characteristic data is verified for all sales when possible. Sales are listed in the “Sales Used” and “Sales Not Used” sections of this report. Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.

Land Value

Land Sales, Analysis, Conclusions:

The Area 25 market continues to experience upward influence on land values due to its proximity to Seattle CBD and South Lake Union. Within this area, there are 43 verified commercial land sales that occurred during the last three years that were utilized in analysis for the 2019 revalue. Land sales activity had a gradual decrease in 2019. There were 13 arms-length transactions in 2019 compared to 17 in 2018, 13 in 2017, and 28 in 2016. Two vacant sales that occurred in late 2019 were not used in analysis since our office was not aware of these sales until after our land sales valuation was complete.

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

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

The total recommended assessed land value for the 2020 assessment year is \$10,281,213,600. The recommended land values for the 2020 assessment year result in an increase from the 2019 assessment

of 13.59%. These totals include all taxable and nontaxable land in Area 25, including specialty properties but excluding government owned parcels.

Assessed Land Value by Area				
Neighborhood	2019 Land Value	2020 Land Value	Change	% Change
25-41	\$1,673,651,200	\$1,999,281,100	\$325,629,900	19.46%
25-42	\$2,148,817,700	\$2,283,653,400	\$134,835,700	6.27%
25-43	\$1,531,228,100	\$1,761,409,300	\$230,181,200	15.03%
25-44	\$688,932,600	\$777,984,100	\$89,051,500	12.93%
25-45	\$599,606,300	\$654,422,400	\$54,816,100	9.14%
25-46	\$1,868,353,500	\$2,187,760,200	\$319,406,700	17.10%
25-47	\$540,245,100	\$616,703,100	\$76,458,000	14.15%
Total	\$9,050,834,500	\$10,281,213,600	\$1,230,379,100	13.59%

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.

Vacant land sales activity had a gradual decrease in 2019. There were 13 arms-length transactions in 2019 compared to 17 in 2018, 13 in 2017, and 28 in 2016.

Area 25-41 – Broadway-Pike/Pine

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	041	684820	0685 0690 0695	25,348	2981196 2981197 2981198	\$21,415,000	04/03/19	\$844.84	NC3P-75 (M)
025	041	685070	0020	5,300	2975733	\$3,180,000	02/28/19	\$600.00	NC3P-65
025	041	314860	0010 0015	6,400	2970925 2970958	\$2,400,000	01/17/19	\$375.00	MR
025	041	600300	1115 1345 1350	37,120	2965656	\$27,100,000	12/10/18	\$730.06	NC3P-65
025	041	872560	0290	5,250	2931573	\$3,000,000	05/03/18	\$571.43	NC3P-65
025	041	181780	0025	7,200	2848806	\$3,338,230	02/10/17	\$463.64	MR



E#2981196-2981198: This is the sale of 3 properties located next door to each other on the south side of E Olive Way between Boylston Ave E and Belmont Ave E. These 3 sales occurred on the same day and were bought by the same entity, so they are essentially 1 sale. 3 different deeds were needed due to there being 3 different sellers. It was bought by an LLC associated with Lululemon founder Chip Wilson's Low Tide Properties and marketed for redevelopment by JLL with no asking price. CoStar reports that the listing broker said there were 27 offers and that the buyer found 2 underground storage tanks, but this did not result in any concession on the sale price. They estimate it will take up to 2 years to secure construction permits.



E#2975733: This is the sale of the former "Grill on Broadway" restaurant located at 314 Broadway E. It was bought by the owner of the neighboring property to the north (Teriyaki & Wok). It's not clear whether a premium was paid for plottage. This sale is concluded to be land value based on the condition of the property at the time of sale. The property had been vacant since 2013. The Capitol Hill Seattle Blog confirmed details of this sale with the seller. They reported the property has "bad pipes and infrastructure challenges." The buyer told them "I'm going to clean it up and see if there's a restaurant out there that wants it." In December 2019, "Olmstead Restaurant" opened up in this space.



E#2970925, 2970958: A developer bought the duplex at 225 Harvard Ave E and the triplex next door at 231 Harvard Ave E. Both sales closed on January 17, 2019 for \$1,200,000 each or \$2,400,000 total. In February 2018, a proposal was submitted to build an 8-story building on this site with 66 small efficiency dwelling units and 5 studio apartments. In July 2019, permits were issued for this new construction.



E#2965656: This is the former Bonney Watson Funeral Home located at 1732 Broadway, between Seattle Central College, Cal Anderson Park, and the Capitol Hill Light Rail Station. It was put on the market in 2/2017 with no asking price. 22 offers were received and the "highest and best offer" was accepted according to CoStar. It was taken off the market, pending sale, in 6/2017. In 10/2017, it was submitted to the landmark review board with the hope that it would fail landmark status. Doing this would prevent a landmark nomination later that could hinder development. The landmark board decided it was not a landmark in 12/2017. Design review was also started in 10/2017 and finished in 8/2018. Passing design review and failing historic landmark status appear to have been conditions required to close the sale. CoStar reports that some soil contamination was found on the northerly parking lot, but that was remediated at the buyer's expense before closing.



E#2931573: This 12-unit apartment building on Bellevue Ave, between Pike St and Pine St, sold for \$3,750,000 with plans and permits in process to build a new 50-unit apartment in its place. A 20% discount was applied for the sale being entitled with plans and permits, for an effective sale price of \$3,000,000.



E#2848806: This 10-unit apartment building on Boylston Ave, just south of E Denny Way, sold for \$4,768,900 with plans and permits in place to build a new 55-unit apartment building. A 30% discount was applied for the sale being entitled with plans and permits, for an effective sale price of \$3,338,230.

Area 25-42 – First Hill

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	042	197820	1180 1195 1200	29,168	2954740	\$18,100,000	09/27/18	\$620.54	HR
025	042	197820	0935	14,400	2933346	\$8,060,000	05/17/18	\$559.72	HR
025	042	859040	0795	5,964	2908826	\$3,300,000	12/29/17	\$553.32	HR
025	042	859040	0875	10,800	2910204	\$5,750,000	12/29/17	\$532.41	HR
025	042	197820	0775	7,200	2893894	\$3,350,000	10/06/17	\$465.28	HR



E#2954740: This is a surface parking lot on Boylston Ave between Seneca St and Spring St. The buyer's intention at the time of sale was to build a 240-foot high-rise with 350 units and 290 underground parking spaces, but that got scaled back to a "respectful 8-story building" with 226 units with 90 parking stalls on 2 underground levels during design review, according to the DJC.



E#2933346: This office at Seneca St and Summit Ave was purchased by the tenant of the building by exercising an option to purchase laid out in the terms of their lease. The sale price was determined by two independent appraisals (one from the buyer and one from the seller). The appraisal concluded that land value exceeded value as currently improved, so the sales price reflected the appraised land value. Thus, this sale is considered a good indication of market land value despite the buyer having no plans to redevelop.



E#2908826: This old rooming house at the corner of 9th Ave and Cherry St was marketed on CBA for 3 months as a micro-housing development site. Multiple competitive offers were received. The winning bid was not the highest, but rather one willing to close quickly. Soon after the sale, windows were boarded up and a chain-link fence was erected around the property, indicating that the improvements contribute no value to the property and redevelopment will occur soon.



E#2910204: This parking lot received multiple offers within a couple weeks of being marketed on the MLS, allowing it to be sold for the full asking price of \$5,750,000 on favorable terms. The buyer applied for a permit to build a 15-story apartment tower with 4 levels of underground parking shortly after the sale closed.



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

Area 25-43 – Madison-Seattle U.

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	043	600300	1560	5,600	3022198	\$2,182,500	11/19/19	\$389.73	LR3 (M)
025	043	723460	0290	7,200	2990146	\$2,150,000	05/21/19	\$298.61	LR3 (M)
025	043	304320	0185	4,800	2980254	\$1,849,400	03/27/19	\$385.29	NC2-40
025	043	600300	1005 0995 0990	16,950	2963634	\$10,175,000	11/27/18	\$600.29	NC3-75 (M1)
025	043	348300 135530	0000 0051	10,343	2964634	\$3,800,000	12/03/18	\$367.40	LR3
025	043	600300	1560	5,600	2931626	\$1,900,000	05/23/18	\$339.29	LR3
025	043	332504	9010 9057	10,288	2895152	\$3,235,000	10/12/17	\$314.44	NC2-40
025	043	949770	0075	8,800	2890844	\$3,220,000	09/22/17	\$365.91	NC3P-65
025	043	332504	9008 9009 9053 9056	12,949	2891226	\$4,200,000	09/20/17	\$324.35	NC2-40
025	045	225450	1310	10,240	2853451	\$1,800,000	03/03/17	\$175.78	LR2



E#3022198: This four-plex at the corner of E Denny Way and 14th Ave previously sold in May 2018 to a developer (see E# 2931626). This sale was from one developer to another. Early design guidance was completed between the sales and construction permits were issued 2 months after this sale closed. The actual sale price was \$2,425,000 but we have applied a 10% discount to account for the value of the plans and permit work done by the seller. Construction at this site for 7 new rowhouses is expected to begin in 2020.



E#2990146: This property at the SE corner of 15th Ave and E Olive St is known as the Patrick J. Sullivan House, after the 1st owner who had it built in 1898. It was listed for sale in 10/20/2017 asking \$2.2 million, marketed as an “opportunity to restore this vintage home.” 15 offers were received at or above the asking price. The winning bid was awarded to a developer on 11/13/2017 with the highest offer of \$2.5 million. A 1.5-year legal challenge then took place with neighbors getting historic landmark protection, followed by a lawsuit from the owner. The owner won and was able to close the sale but had to lower the price to \$2.15 million. The house was demolished on 3/18/2020 to make way for 8 townhouses.



E#2980294: This fourplex on 20th Ave north of E Madison St (and just north of E# 2891226 described below) sold to a developer with plans to build 8 townhomes on this site. The same developer also bought the property just north of this site for the same price with plans to put another 8 townhomes on that site at the same time. By February 2020, construction had started on these new townhomes.



E#2963634: This auto repair shop located at the corner of 12th Ave and E Olive St previously sold in July 2016 to a developer. The seller had begun early design guidance for a building that would take full advantage of the 40-foot height limit allowed by zoning. Plans for this building were included in the sale. However, this parcel was pending an up-zone at the time of this sale as part of the Seattle's Mandatory Housing Affordability (MHA) legislation that would increase the height limit to 75 feet. The buyer stated that they would be redesigning the plans that came with this sale to take full advantage of the coming 75-foot height limit. Thus, this is considered a good indication of NC3-75 (M1) land value for this neighborhood.



E#2964634: This 8-unit condominium (and associated parking lot) on E Howell St between 14th Ave and 15th Ave sold to a developer with the intention of building 15 townhomes on this site. The property was marketed from 2/2018 to 12/2018 on CBA by Westlake Associates for an asking price of \$2,600,000. It was advertised as an apartment investment, not a redevelopment opportunity.



E#2931626: The buyer of this four-plex at the corner of E Denny Way and 14th Ave plans to build a 3-story, 7-unit row-house building on this site. The early design guidance process began soon after this sale.



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



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



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



E#2853451: This old church at the NW corner of E Spring St and 14th Ave was bought by the same developer who bought the two parcels neighboring it to the north (E#2788956) as part of an assemblage with the intention on building 22 homes on this site. By early 2020, these original 3 parcels had been split into 26 parcels for townhome construction.

Area 25-44 –Eastlake

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	044	290220	0640	6,150	3026063	\$2,396,200	12/16/19	\$389.63	NC2-65 (M2)
025	044	195970	1451 1452	2,106	2982717	\$600,000	04/15/19	\$284.90	LR2
025	044	202504	9138 9139	11,271	2950438	\$3,500,000	08/24/18	\$310.53	LR2
025	044	195970	2937	3,787	2929093	\$1,050,000	05/01/18	\$277.26	NC2-40
025	044	290220	0393 0395 0400 1290	28,040	2895593	\$8,200,000	10/11/17	\$292.44	LR2



E#3026063: This 6-unit apartment building at 2210 Eastlake Ave E (north of E Boston St) sold for redevelopment. The buyer was enticed by this property's up-zone from LR2 RC to NC2-65 (M2), which increased the height limit from 40 feet to 65 feet. A new 7-story apartment building with 60 units was proposed soon after the sale.



E#2982717: This is a sale of two small parcels (1,053 SF each) fronting the alley between Eastlake Ave E and Franklin Ave E, located north of E Hamlin St. They were sold to a developer with plans to build a townhouse on each parcel. Construction began quickly after the sale.



E#2950438: These two parcels, located on Minor Ave E at E Louisa St, each had a fourplex at the time of sale. Since then, these fourplexes have been demolished and construction on 11 townhomes has begun.



E#2929093: The actual sales price for this parcel was \$1,395,000 (\$368/SF), but the sale came entitled with plans and permits that were issued in 2013, before micro-housing legislation passed in 2014 limiting development. We applied a 25% downward adjustment to the sale price for this entitlement since these issued permits allow for a denser development than would be allowed under current law. Soon after the sale, construction began on a 4-story congregate housing building with 32 sleeping rooms sharing 4 common areas with retail and restaurant on first floor



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

Area 25-45 – Central District

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	045	796010	0356	2,700	2982155	\$700,000	04/08/19	\$259.26	NC1-40
025	045	912610	1695 1681	9,030	2920750	\$2,050,000	03/19/18	\$227.02	NC1-40 (M2)
025	045	225450	2245	7,680	2899057	\$1,475,000	10/23/17	\$192.06	LR1
025	045	722850	0182 0805 0809	23,394	2893759	\$4,500,000	10/06/17	\$192.36	NC2P- 75 (M1)
025	045	721740 721740 721740 721740 721740 722850 722850 722850 722850	0750 0760 0772 0805 0809 0162 0170 0175 0182	106,254	2866094	\$23,250,000	05/23/17	\$218.82	NC2P- 40



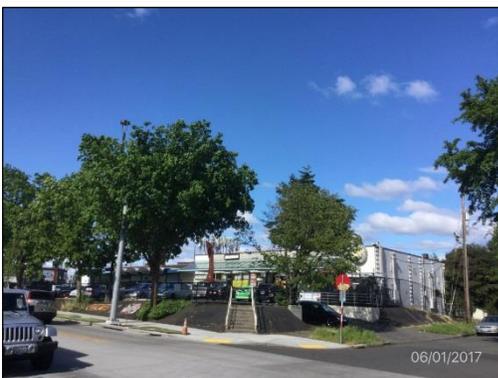
E#2982155: This is the sale of an old service garage located on E Cherry St between 26th Ave and 27th Ave. Permit activity leading up to the sale show an intention to demolish the service garage and build a new 4-story commercial building, but more recent permit activity shows the garage may be remodeled into a restaurant. The dates of the permit activity relative to this sale show no sign that this sale was entitled, so no discount for plans and permits appears warranted.



E#2920750: This property at the corner of 22nd Ave and E Cherry St was the home of Cherry Hill Baptist Church, but it was bought by a developer with plans to build 14 live-work units on this site. Within months of the sale, the church was demolished.



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



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

Area 25-46 – North Capitol Hill-Montlake

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	046	191210	0620	4,500	3019349	\$1,200,000	09/13/19	\$266.67	NC1-55 (M)
025	046	180690	0455	4,800	2988730	\$1,575,000	05/15/19	\$328.13	LR3 (M)
025	046	684770	0410	7,200	2965590	\$2,980,000	12/03/18	\$413.89	MR
025	046	685070	0480	5,927	2948585	\$2,350,000	08/21/18	\$396.49	MR
025	046	685170	0330 0335 0336 0340	15,108	2940311	\$5,200,000	07/01/18	\$344.19	LR3
025	046	942140	0035	7,879	2935469	\$2,960,000	05/23/18	\$375.68	NC2P-40
025	046	685270	0420 0425	7,575	2927197 2926621	\$3,250,000	04/11/18	\$429.04	LR3
025	046	685270	0421	4,400	2916738	\$2,000,000	02/26/18	\$454.55	LR3



E#3019349: This is a home office on 10th Ave E, north of Miller St, which was bought by a developer. This is the third time a developer bought this property. The seller (another developer) bought this in 2016 entitled with plans, then finalized permits before this sale. Permits have been issued for 3 townhomes+2 live-work units. The actual sale price was \$1,500,000, but we have applied a 20% downward adjustment for plans and permits that were included with the sale.



E#2988730: This fourplex located at 214 17th Ave E (south of E Thomas St) was sold to a developer who demolished the old improvements within a few months of the sale and begun construction on 6 new townhomes. The actual sale price was \$2,100,000, but we have applied a 25% downward adjustment for plans and permits that were included with the sale.



E#2965590: This is the sale of a site at 323 Bellevue Ave E (between E Thomas St and E Harrison St) where an old 6-unit apartment building stood until 2017. The sellers spent the three years before then developing plans and permits for a new 6-story, 43-unit apartment building. Colliers marketed the site for 5 months in 2018 at an asking price of \$4 million. The sale came entitled with plans and permits that were approved before Mandatory Housing Affordability requirements were implemented, so we've adjusted the sale price down 20%, from \$3,725,000 to \$2,980,000 to account for this factor.



E#2948585: This office at 420 Boylston Ave E was bought by a developer who plans on building 58 small efficiency dwelling units on this site.



E#2940311: The seller assembled these four properties at 506-520 12th Ave E in 2016 and went through design review with plans to build 19 townhomes before selling it all to another developer.



E#2935469: This parking lot on 15th Ave E, between E Denny Way and E John St, sold with plans and permits in place to build a 4-story structure containing 36 apartment units and 1,249 sq. ft. of restaurant space at ground level. The actual sales price was \$3,700,000 (\$470/SF), but a 20% discount was applied for these plans and permits.



E#2927197, 2926621, 2916738: These three parcels at the corner of E Mercer St and Federal Ave E were purchased by a developer with plans to build 13 units in two townhouse style buildings. Each parcel was sold separately. E#2916738 closed in February 2018 while the other two closed in April 2018. Combined, the three parcels total 11,975 square feet and sold for \$5,250,000, which equates to \$438.41/SF.

Area 25-47 –Madison Park-Madrona

Area	Nbhd	Major	Minor	Lot Size	Excise #	Sale Price	Sale Date	Price / SF	Zone
025	047	501600	1270	9,000	2966630	\$1,374,030	12/14/18	\$152.67	SF 5000
025	047	715220	0015	5,000	2879237	\$1,799,812	07/21/17	\$359.96	NC1-30
025	047	515770	0161	5,500	2847341	\$1,510,000	01/27/17	\$274.55	LR2



E#2966630: This church was bought by a developer with the intention of splitting the 9,000 square foot parcel into two and building 2 single-family homes, one on each 4,500 square foot lot.



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



E#2847341: This four-plex at the corner of E Marion St and 34th Ave was bought by a developer who applied for permits to build 5 new row-houses at this site within a few months after the sale closed.

Zoning Descriptions

The following is a brief summary of zoning located within Area 25. The descriptions below should not be used for legal reference. Full regulations are in Seattle Municipal Code Title 23, Subtitle III, Land Use Regulations.

Residential / Multi-Family

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

RSL: Residential Small Lot - An area within an urban village that allows for the development of smaller homes. This zone allows attached or stacked dwelling units which are not allowed in SF zones.

LR1 / LR1 RC*: Low-rise 1 - Areas characterized by low-density, small-scale multifamily housing types, which are similar in character to single-family zones. Townhomes are common in this zone.

LR2 / LR2 RC*: Low-rise 2 - Areas characterized by multifamily housing types in existing small-scale multifamily neighborhoods with arterial streets. More density is allowed in LR2 than in LR1.

LR3 / LR3 RC*: Low-rise 2 - Areas characterized by multifamily housing types in existing moderate-scale multifamily neighborhoods. More density is allowed in LR3 than in LR2.

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

MR: Midrise – This zone encourages denser and taller apartment buildings than those allowed in LR zones. Height limits are 60 or 80 feet. Ground-floor commercial is allowed but not required.

HR: High-rise – This zone encourages high-density apartment buildings near transit, commercial services, and employment. The base height limit is 440 feet. Ground-floor commercial is allowed but not required.

Commercial

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

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

NC3: Neighborhood Commercial 3 - A larger pedestrian-oriented shopping district that provides a wide range of goods and services to the surrounding neighborhoods and a larger community or region.

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

C1: Commercial 1 - An auto-oriented commercial area that provides a range of retail and services to the surrounding neighborhoods and a larger community or region.

C2: Commercial 2 - An auto-oriented commercial area that provides a range of non-retail businesses to the larger community or region. Characterized by larger lots, parking, and favorable automobile access.

The number after the NC or C zones refers to the height limit and is applied independently of the zone. For example, the NC1-40 (M2) zone has a 40-foot height limit. Height limits range from 30' to 200'.

(M), (M1), or (M2) suffix refers to Mandatory Housing Affordability (MHA) requirements. This requirement was adopted citywide in April 2019 with the intention to allow taller buildings in trade for affordability requirements. Properties with an (M) suffix have minor height increases and affordability requirements, those with an (M1) suffix have moderate height increases and affordability requirements, and those with an (M2) suffix have significant height increases and affordability requirements.

Industrial

IG1 U/45: General Industrial 1 – The intent this zone is to protect marine and rail-related industrial areas from an inappropriate level of unrelated retail and commercial uses by limiting these uses to a density or size limit lower than that allowed for industrial uses. “U/45” means that the height limit is unlimited, except for retail, office, entertainment, research and development, and institution uses which are limited to 45 feet. Residential uses are generally not allowed.

Major Institutions

MIO: Major Institution Overlay – This overlay zoning designation exists to regulate Seattle's major educational and medical institutions. Development in these districts is regulated by an institution's master plan which must be approved by the City of Seattle and updated periodically. The approved height limit for that parcel, as part of the approved master plan, is listed first. The zone that follows is the underlying zoning that would be in place if there were no major institution on this site. For example, “MIO-160-NC3P-95 (M)” means the major institution's master plan allows for a height limit of 160 feet on this parcel, but the zoning would be NC3P-95 (M) if that major institution were not located on this parcel.

Improved Parcel Total Values

Preliminary Ratio Analysis

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

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

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

IAAO STANDARDS ON RATIO STUDIES		Preliminary Area 25 Values
Appraisal Level	90% to 110%	89.50%
Coefficient of Dispersion	5% to 15%	17.69%
Price Related Differential	0.98 to 1.03	1.02

The preliminary ratio study for Area 25 using 51 verified sales showed a mean assessed value of \$3,844,500 and a mean sales price of \$4,297,500, which indicates an appraisal level, as indicated by the weighted mean, of 89.50% The coefficient of variation (COV) was 23.59% and the coefficient of dispersion (COD) was 17.69% The price-related differential (PRD) was 1.02.

The low assessment level shows that assessed values should generally be raised. The high COD indicates that some properties will need to be adjusted more than others in order to increase the uniformity of assessment levels. The PRD value of greater than 1 shows that the low assessed values occur more frequently and intensely among high value properties, so values of high valued properties should be raised more than values of low valued properties.

However, these results are based on a limited sales sample of a wide variety of heterogeneous property types. Among the 51 sales, 9 are sales in which future redevelopment potential played a significant role in pushing up the sales price even though there are no immediate redevelopment plans. Among the remaining 42 sales, 8 are office buildings, 7 are small (900-3000 square feet) commercial condo units, 7 are live-work units, 5 are congregate housing properties, 4 are restaurants/bars/taverns/cafes, 3 are mixed-use buildings with retail and residential components, 2 are historic landmarks, 2 are multitenant retail, 1 is a retail property with a large anchor tenant, 1 is a rooming house, 1 is a gas station, and 1 is mixed-use with office and residential. The ability to draw significant statistical direct conclusions from the ratio study is limited due to the small sample sizes from a wide variety of property types.

Sales comparison approach model description

The sales comparison approach reflects the principles of supply and demand, balance, externalities, and substitution. It is most reliable when there is adequate sales data. All sales were verified with a knowledgeable party and inspected, when possible. The model for sales comparison was based on characteristics from the Assessor's records including location, effective age, building quality and net rentable area. Sales with characteristics most like the subject properties were considered. Sale data was obtained from excise tax records and verified with property owners, brokers, and/or agents whenever possible. Transactions from neighboring geographic areas were considered in the sales analysis as well. They are not included here, but can be found in the reports for neighboring areas.

Improved commercial sales dating from 1/1/2017 to 12/31/2019 were considered in the valuation. There were 54 arm's length improved sales during this period. Three sales were excluded from the ratio study due to significant renovations that were made after the sale, resulting in a significant change in property value compared to the value at the time of sale.

In general, the sales comparison approach is utilized for properties where there were enough sales and rental market data was unavailable. The sale price unit value ranges serve to establish a general upper and lower market boundary for the various property types within the subject area and are useful when analyzing the income parameters and capitalization rates used in the income models for the various neighborhoods. Location, quality, and effective age were factors considered for adjustment.

The plurality of the sales was concluded to be sales in which future redevelopment potential played a significant role in pushing up the sales price even though there are no immediate redevelopment plans. These sales were valued by the cost approach so that the depreciated improvement value was added onto the land value. Similar properties were identified by analyzing their land-to-building ratios and effective years built and were also valued by the cost approach.

There were enough sales of office buildings to value them by the sales comparison approach. However, they are valued using the income approach due to an abundance of rental market data because the income approach results in more equitable values.

Small commercial condo units and live-work townhomes are valued using the sales comparison approach, since most of these are owner-occupied with limited rental market data.

The remaining sales are used for guidance as a test of reasonableness for the income or cost model.

Stratification of these sales indicated the following market values applied for our valuation model:

Property Type	Typical Value Range per SF
Commercial Condominiums	\$360 - \$660
Live-Work Units	\$450 - \$700

Sales comparison calibration

Calibration of the coefficients utilized in the models applied via the sales comparison approach was established via an analysis of sales. Individual prices were applied based on various characteristics deemed appropriate. Given the relatively low sales count per property type, applicability of Sales Comparison was considered limited for broad valuation purposes.

Cost approach model description

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

Cost Calibration

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

Income Capitalization Approach Model Description

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

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

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

Expenses: Expense ratios were estimated based on industry standards, published sources, and the appraiser's knowledge of the area's rental practices. The expense ratios for nonresidential property types were based on typical expenses that a landlord would incur in a triple-net lease, excluding any expenses typically reimbursed by triple-net tenants. For residential uses, expenses typical in the residential rental market were applied.

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

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

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

SEATTLE / REGIONAL CAP RATES

Source	Date	Location	Office	Industrial	Retail	Remarks
ACLI	4Q 2019	Seattle – Bellevue - Everett MSA	4.96%	5.59%	5.97%	All Classes

SEATTLE / REGIONAL/ NATIONAL CAP RATES

Source	Date	Location	Multifamily	Hospitality	Remarks
CBRE: U.S. Cap. Rate survey. Advance Review	H2 2019	Seattle	4.00% - 4.25%	-	Infill – Class A
			4.50% - 5.00%	-	Infill – Class A – Value Added
			4.25% - 4.75%	-	Infill – Class B
			5.00% - 5.50%	-	Infill – Class B – Value Added
			5.00% - 5.50%	-	Infill – Class C
			5.50% - 6.25%	-	Infill – Class C – Value Added
			4.50% - 4.75%	-	Suburban – Class A
			4.75% - 5.25%	-	Suburban – Class A – Value Added
			4.75% - 5.25%	-	Suburban – Class B
			5.25% - 5.75%	-	Suburban – Class B – Value Added
			5.00% - 5.75%	-	Suburban – Class C
			5.50% - 6.25%	-	Suburban – Class C – Value Added
			-	6.00% - 6.50%	CBD – Luxury
			-	6.25% - 7.00%	CBD – Full-Service
			-	6.50% - 7.00%	CBD – Select-Service
-	8.50% - 9.25%	CBD – Economy			
-	6.50% - 7.50%	Suburban – Luxury			
-	7.50% - 8.25%	Suburban – Full-Service			
-	7.50% - 8.25%	Suburban – Select-Service			
-	9.50% - 10.50%	Suburban – Economy			
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2019	Seattle	5.50%	-	Apartments – All Classes
			-	7.10%	Hotels – All Classes
			4.00% - 6.50%	-	Apartments – 1 st Tier Properties
		West Region	4.50% - 7.80%	-	Apartments – 2 nd Tier Properties
			4.80% - 9.80%	-	Apartments – 3 rd Tier Properties
			-	6.00% - 8.00%	Hotels – 1 st Tier Properties
			-	7.00% - 8.50%	Hotels – 2 nd Tier Properties
-	7.50% - 10.50%	Hotels – 3 rd Tier Properties			
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2019	National	4.00% - 6.00 %	7.00% - 8.30%	Apartment – 1 st Tier Hotel – 1 st Tier
IRR: Viewpoint for 2020	Year-end 2019	Seattle	4.25%		Urban Class A
			4.50%		Urban Class B
			4.75%		Suburban Class A
			5.25%		Suburban Class B
IRR: Viewpoint for 2020	Year-end 2019	West Region	4.46%	-	Urban Class A
			5.06%	-	Urban Class B
			4.68%	-	Suburban Class A
			5.27%		Suburban Class B
IRR: Viewpoint for 2020	Year-end	Seattle		7.00%	Full Service
				8.50%	Limited Service

SEATTLE / REGIONAL/ NATIONAL CAP RATES					
Source	Date	Location	Multifamily	Hospitality	Remarks
	2019				
PWC / Korpaz Real Estate Investor Survey	4Q 2019	Pacific Region	3.65% - 6.00%	-	Apartments
ACLI	4Q 2019	Seattle-Bellevue Everett	4.67%		All Classes
		Pacific	4.78%	5.39%	All Classes

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

Income Approach Calibration

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

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

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

Typical Income Parameters

Area 25-41 Broadway-Pike/Pine				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Offices/Medical	\$24 - \$29	5%	26% -33%	5.00% - 6.75%
Retail/Restaurants	\$24 - \$41	5%	12% - 25%	5.25% - 6.75%
Finished Bsmt.	\$23 - \$25	5%	12% - 15%	6.55% - 7.40%
Storage/Whse.	\$15 - \$23	5%	13% - 19%	6.80% - 7.80%
Parking	\$10.50 - \$10.75	10%	38% - 39%	5.00% - 5.75%
Apartments	\$24 - \$38	5%	28% - 46%	4.40% - 6.90%
Micro-Housing	\$30 - \$49	5%	31% - 53%	4.80% - 5.35%

Area 25-42 First Hill				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Offices/Medical	\$24 - \$35	5%	18% - 33%	5.50% - 6.25%
Retail/Restaurants	\$30 - \$39	5%	12% - 14%	5.75% - 7.00%
Finished Bsmt.	\$21 - \$30	5%	10% - 17%	6.10% - 7.40%
Storage/Whse.	n/a	n/a	n/a	n/a
Parking	\$11 - \$11.25	10%	40% - 41%	5.00% - 5.75%
Apartments	\$31 - \$39	5%	29% - 37%	4.40% - 5.45%
Micro-Housing	\$33 - \$46	5%	33% - 47%	4.75% - 6.00%

Area 25-43 Madison-Seattle U.				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Offices/Medical	\$24 - \$34	5%	13% - 22%	5.25% - 6.25%
Retail/Restaurants	\$32 - \$34	5%	15% - 24%	5.75% - 7.00%
Finished Bsmt.	\$21 - \$23	5%	21% - 26%	7.00% - 7.25%
Storage/Whse.	\$19 - \$26	5%	19% - 27%	6.25% - 7.75%
Parking	\$8.25 - \$8.50	15%	55% - 57%	5.00% - 5.50%
Apartments	\$31 - \$39	5%	29% - 38%	4.55% - 5.60%
Micro-Housing	\$31 - \$49	5%	31% - 52%	4.85% - 5.25%

Area 25-44 Eastlake				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Offices/Medical	\$22 - \$30	5%	16% - 20%	5.75% - 6.25%
Retail/Restaurants	\$22 - \$26	5%	18% - 24%	6.00% - 7.00%
Finished Bsmt.	\$21 - \$24	5%	19% - 25%	6.60% - 7.20%
Storage/Whse.	\$17 - \$23	5%	21% - 26%	6.35% - 7.20%
Parking	\$8.25 - \$8.50	15%	55% - 57%	5.00% - 5.75%
Apartments	\$30 - \$39	5%	28% - 39%	4.80% - 5.90%
Micro-Housing	\$31 - \$49	5%	31% - 52%	4.85% - 5.25%

Area 25-45 Central District				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$20 - \$29	5%	30% - 47%	6.00% - 7.25%
Retail/Restaurants	\$20 - \$30	5%	16% - 26%	6.25% - 7.75%
Finished Bsmt.	\$23 - \$24	5%	19% - 23%	6.50% - 7.25%
Storage/Whse.	\$20 - \$25	5%	18% - 20%	6.50% - 7.25%
Parking	\$8.25	25%	65%	5.25% - 5.50%
Apartments	\$21 - \$38	5%	30% - 59%	4.65% - 6.45%
Micro-Housing	\$34 - \$47	5%	32% - 47%	5.20% - 5.50%

Area 25-46 North Capitol Hill-Montlake				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$24 - \$31	5%	14% - 19%	5.50% - 6.75%
Retail/Restaurants	\$22 - \$32	5%	22% - 31%	6.50% - 7.25%
Finished Bsmt.	\$20 - \$26	5%	19% - 26%	6.00% - 7.50%
Storage/Whse.	\$15 - \$21	5%	22% - 34%	7.00% - 7.75%
Parking	\$7	25%	76%	6.25%
Apartments	\$29 - \$31	5%	37% - 40%	5.35% - 5.90%
Micro-Housing	\$46 - \$49	5%	31% - 33%	4.85% - 5.10%

Area 25-47 Madison Park-Madrona				
Property Type	Rent/SF/Year Range	Vacancy	Expenses (% of EGI)	Cap Rate
Office/Medical	\$28 - \$37	5%	14% - 17%	5.75% - 6.25%
Retail/Restaurants	\$26 - \$31	5%	19% - 26%	6.50% - 7.00%
Finished Bsmt.	\$21 - \$25	5%	20% - 25%	6.00% - 7.00%
Storage/Whse.	\$20 - \$23	5%	20% - 24%	6.50% - 7.25%
Parking	\$7.00 - \$7.25	25%	73% - 76%	5.50% - 6.25%
Apartments	\$31 - \$33	5%	35% - 37%	4.85% - 5.60%
Micro-Housing	n/a	n/a	n/a	n/a

Reconciliation

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

The income approach to value was 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 when determining when to depart from the Assessor's table generated income model. An administrative review of the selected values was made by Dan Atkinson, Senior Appraiser for quality control purposes.

Model Validation

Total Value Conclusions, Recommendations and Validation

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

The standard statistical measures of valuation performance are presented in both the 2019 and 2020 Ratio Analysis charts included in this report. Comparison of the 2019 Ratio Study Analysis with the 2020 Ratio Study Analysis is shown in the table below. The weighted mean statistical measure of assessment level increased from 89.50% to 95.10%. The Coefficient of Dispersion (COD) went down from 17.69% to 12.57%, the Coefficient of Variation (COV) went down from 23.59% to 16.16%, and the Price-related Differential (PRD) remained steady at 1.02. The 2020 ratios are within the IAAO (International Association of Assessing Officers) appraisal guidelines for measures of valuation uniformity and equity. The ratio study presented in this report indicates substantial improvement in assessment level in addition improved uniformity. However, with a sample size of only 51 improved sales for many different commercial types the weight given to the ratio study should be tempered.

	2019 Ratio	2020 Ratio	Difference
Assessment Level	89.50%	95.10%	+5.60%
Coefficient of Dispersion	17.69%	12.57%	-5.12%
Coefficient of Variation	23.59%	16.16%	-7.66%
Standard Deviation	0.2147	0.1563	-0.0584
Price Related Differential	1.02	1.02	0

The total assessed values for Area 25 for the 2019 assessment year was \$8,212,744,030 and the total recommended value for the 2020 assessment year is \$8,924,926,400. This does not include specialty properties, but it does include nonresidential condo units. In addition, the 2020 total does not include the value of new construction and it does not reflect the downward contamination adjustments that will be applied to several parcels by the contamination specialist appraiser. Application of these recommended values for the 2020 assessment year (for taxes payable in 2021) results in a total value change of +8.67% from the previous year.

Total Population - Parcel Summary Data			
	Land	Improvements	Total
2019 Value	\$4,859,201,100	\$3,353,542,930	\$8,212,744,030
2020 Value	\$5,524,672,000	\$3,400,254,400	\$8,924,926,400
% Change	13.70%	1.39%	8.67%

Uniform Standards of Professional Appraisal Practice 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 Standards 5 and 6. 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. (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.

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 influence 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 reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.
- No one provided significant real property appraisal assistance to the person signing this certification.
- The following services were performed by me within the subject area in the last three years:
 - Annual Model Development and Report Preparation
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Appeal Hearing Attendance
 - Physical Inspection Model Development and Report Preparation
 - Land and Total Valuation
 - New Construction Evaluation



April 16, 2020

Commercial Appraiser II

Date

Improvement Sales for Area 025 with Sales Used

04/10/2020

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	041	066000	2760	21,068	2973024	\$15,515,000	02/03/19	\$736.42	1501 - 1535 Melrose Ave	NC3P-85	1	Y	
025	041	111705	0010	2,899	2958917	\$1,480,000	10/22/18	\$510.52	BRIX	NC3-40	1	Y	
025	041	111705	0030	1,623	2937110	\$1,155,000	06/19/18	\$711.65	BRIX	NC3-40	1	Y	
025	041	181780	0110	15,300	2883560	\$4,800,000	08/11/17	\$313.73	Former Zhu Dang Restaurant - Future	NC3P-65	1	Y	
025	041	516500	0010	1,329	2874497	\$650,000	06/29/17	\$489.09	MARQ THE	MR	2	Y	
025	041	600350	0095	9,500	3028403	\$4,300,000	12/27/19	\$452.63	CAFFE VITA	NC3P-75 (M)	1	Y	
025	041	600350	0470	35,631	2861493	\$14,000,000	04/28/17	\$392.92	Elliott Bay Books	NC3P-65	1	Y	
025	041	600350	1191	17,466	2960082	\$6,250,000	10/26/18	\$357.84	Jai Thai - 2nd Floor Hair Studio/Metro	NC3P-40	2	Y	
025	041	600350	1230	20,656	2888413	\$6,350,000	09/08/17	\$307.42	206 Broadway	NC3P-40	2	26	Imp changed after sale; not in ratio
025	041	678490	0030	1,086	2996552	\$710,000	06/26/19	\$653.78	PIKE LOFTS CONDOMINIUM	NC3P-75 (M)	1	Y	
025	041	684870	0030	4,350	2870873	\$1,420,000	06/13/17	\$326.44	Amante Pizza & Pasta - Future Cann	NC3P-65	1	Y	
025	041	750250	0045	33,196	2936414	\$18,500,000	06/15/18	\$557.30	KNIGHTS OF COLUMBUS BLDG	NC3P-65	4	Y	
025	041	872560	0355	10,800	2921727	\$2,900,000	03/29/18	\$268.52	CLUB Z	NC3P-85	1	Y	
025	041	872560	0420	11,903	2900986	\$8,800,000	11/14/17	\$739.31	BAROKAS & MARTIN LAW OFFICE	NC3P-65	3	Y	
025	041	872560	0550	2,042	2893769	\$1,090,000	09/08/17	\$533.79	Funke 1411 - OFFICE BUILDING	NC3-65	1	Y	
025	041	880490	0455	44,100	3027134	\$15,334,000	12/21/19	\$347.71	Heath Printers Building - Office Noma	NC3-75 (M)	4	Y	
025	042	219760	0148	8,238	2873590	\$5,000,000	06/01/17	\$606.94	Emerald 10	MR	1	Y	
025	042	219810	0010	20,334	2876095	\$4,500,000	07/03/17	\$221.30	FENIMORE HOTEL	NC3-85	1	26	Imp changed after sale; not in ratio
025	042	256035	0000	39,022	3025680	\$15,150,000	12/16/19	\$388.24	FIRST HILL PLAZA RETAIL BUILDING	NC3P-200 (M)	3	Y	
025	043	181380	0030	2,425	3018614	\$1,280,000	10/21/19	\$527.84	Former Coffee Flour Kitchen	NC2-55 (M)	1	Y	
025	043	225450	0805	1,956	2852560	\$4,030,000	03/09/17	\$2,060.33	SHELL FOOD MART & CAR WASH	MIO-65-NC2P-40	1	Y	
025	043	600300	1395	32,316	2971281	\$14,500,000	01/17/19	\$448.69	Footprint Cal Park	NC3-40	2	Y	
025	043	600300	1415	2,800	2988041	\$1,405,000	05/15/19	\$501.79	Capitol Hill Health Building	NC3-75 (M1)	1	Y	
025	043	723460	0485	11,302	2904328	\$2,572,000	12/01/17	\$227.57	The InArtsNW Collective	LR3	1	Y	
025	043	723460	0500	8,394	3024416	\$2,500,000	12/06/19	\$297.83	GAFFNEY HOUSE	NC3-75 (M)	1	Y	
025	043	794830	0115	3,200	2919870	\$1,580,000	03/14/18	\$493.75	UNION HALL	MIO-37-LR2	1	Y	
025	044	195970	0023	13,945	2915556	\$6,000,000	02/20/18	\$430.26	office	NC2-40	1	Y	
025	044	195970	2715	4,160	2874900	\$1,975,000	06/21/17	\$474.76	2921 Eastlake Ave E	NC3-40	1	Y	
025	044	196720	0010	9,419	2878241	\$4,300,000	07/20/17	\$456.52	Archbright	C1-40	1	Y	
025	044	196820	0010	16,172	2910491	\$6,338,600	01/03/18	\$391.95	ROSS LABORATORIES INC	C1-40	1	26	Imp changed after sale; not in ratio
025	044	220760	0020	2,728	2955063	\$1,075,000	09/27/18	\$394.06	EASTLAKE, THE	NC2P-40	1	Y	
025	044	290220	0520	2,780	2917649	\$1,500,000	03/01/18	\$539.57	Patrick's Fly Shop	NC2P-40	1	Y	
025	044	290220	0916	10,604	2971283	\$4,700,000	01/17/19	\$443.23	Footprint Franklin	LR3	1	Y	
025	044	290220	1176	17,098	2905754	\$7,088,800	12/08/17	\$414.60	Pete's Supermarket	LR2 RC	2	Y	
025	044	732625	0010	2,894	2891618	\$950,000	09/20/17	\$328.27	RIVA AT LAKE UNION CONDOMINIUM	C1-65	1	Y	
025	045	140730	0010	17,666	2976000	\$7,900,000	02/24/19	\$447.19	Footprint 1806	LR3	1	Y	
025	045	722850	1733	2,095	2883861	\$760,000	08/16/17	\$362.77	Triplex with Street-Front Retail	NC2P-30	1	Y	
025	045	794930	0080	9,100	3009328	\$2,900,000	09/05/19	\$318.68	450-458 12th Ave	NC3P-55 (M)	1	Y	
025	046	133880	0075	4,160	2883622	\$1,055,000	07/26/17	\$253.61	RETAIL & OFFICES	NC1-40	1	Y	
025	046	232920	0140	905	2999684	\$360,000	07/16/19	\$397.79	EMBASSY THE CONDOMINIUM	NC1-55 (M)	1	Y	
025	046	266300	0455	2,850	2849936	\$1,320,000	02/21/17	\$463.16	SFR - OFFICES	LR3	1	Y	
025	046	423240	0635	33,054	2864241	\$11,250,000	05/10/17	\$340.35	SHOPRITE DRUGS	NC2P-40	2	Y	

Improvement Sales for Area 025 with Sales Used

04/10/2020

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	046	600350	1919	1,555	2870661	\$1,545,000	06/07/17	\$993.57	SFR - LAW OFFICES	LR3	1	Y	
025	046	678820	1505	3,168	3003983	\$1,200,000	08/08/19	\$378.79	Former Montlake Alehouse	NC1-40 (M)	1	Y	
025	046	685270	0160	15,054	2971282	\$9,200,000	01/17/19	\$611.13	Footprint Eleventh	LR3	1	Y	
025	047	438570	0085	2,787	2896153	\$1,380,000	10/11/17	\$495.16	4114-4118 E Madison St	NC1P-30	1	Y	
025	047	501600	1670	2,856	2843592	\$1,399,500	01/06/17	\$490.02	SFR - OFFICE	NC2P-40	1	Y	
025	047	515770	0005	1,402	3013194	\$980,000	09/09/19	\$699.00	1115 34th Ave Live-Work Unit B	NC1-40 (M)	1	Y	
025	047	715220	0255	1,040	2967161	\$725,000	12/05/18	\$697.12	Pike Station Live-Work Unit A (Over d	NC1-30	1	Y	
025	047	715220	0255	1,040	2878087	\$661,675	07/11/17	\$636.23	Pike Station Live-Work Unit A (Over d	NC1-30	1	Y	
025	047	715220	0258	1,544	2943010	\$1,150,000	07/16/18	\$744.82	Pike Station Live-Work Unit D	NC1-30	1	Y	
025	047	715220	0261	1,500	2941787	\$905,000	07/09/18	\$603.33	Pike Station Live-Work Unit G	NC1-30	1	Y	
025	047	715220	0300	1,410	2993018	\$980,000	06/05/19	\$695.04	1121 34th Ave Live-Work Unit B	NC1-40 (M)	1	Y	
025	047	715220	0301	1,402	3018496	\$989,900	10/25/19	\$706.06	1121 34th Ave Live-Work Unit A	NC1-40 (M)	1	Y	

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	041	181780	0025	7,200	2848806	\$3,338,230	02/10/17	\$463.64	GERRISH HALL APTS	MR	1	Y	
025	041	314860	0010	3,200	2970925	\$1,200,000	01/17/19	\$375.00	229-231 Harvard Ave E	MR	1	Y	
025	041	600300	1115	37,120	2965656	\$27,100,000	12/10/18	\$730.06	BONNEY-WATSON FUNERAL HOME	NC3P-65	3	Y	
025	041	684820	0685	7,312	2981196	\$8,232,085	04/03/19	\$1,125.83	1651 E Olive Way Office	NC3P-75 (M)	1	Y	
025	041	684820	0690	6,172	2981197	\$4,458,885	04/03/19	\$722.44	Fred Wildlife Refuge	NC3P-75 (M)	1	Y	
025	041	684820	0695	11,864	2981198	\$8,724,031	04/03/19	\$735.34	120 Belmont Ave E / 123 Boylston Ave	NC3-75 (M)	1	Y	
025	041	685070	0020	5,300	2975733	\$3,180,000	02/28/19	\$600.00	Former Grill on Broadway	NC3P-40	1	Y	
025	041	872560	0290	5,250	2931573	\$3,000,000	05/03/18	\$571.43	BELLEVUE APT	NC3P-65	1	Y	
025	042	197820	0775	7,200	2893894	\$3,350,000	10/06/17	\$465.28	VIRGINIA MASON PARKING	HR	1	Y	
025	042	197820	0935	14,400	2933346	\$8,060,000	05/17/18	\$559.72	Therapeutic Treatment Center	HR	1	Y	
025	042	197820	1180	29,168	2954740	\$18,100,000	09/27/18	\$620.54	PARKING	HR	3	Y	
025	042	219810	0005	7,200	3027760	\$5,764,345	12/27/19	\$800.60	MIXED-USE APARTMENT	MIO-90-NC3-95 (M)	1	Y	not included in analysis
025	042	859040	0795	5,964	2908826	\$3,300,000	12/29/17	\$553.32	BROWNS ROOMING HOUSE	HR	1	Y	
025	042	859040	0875	10,800	2910204	\$5,750,000	12/29/17	\$532.41	PARKING LOT LEASED TO UPARK	HR	1	Y	
025	043	225450	1310	10,240	2853451	\$1,800,000	03/03/17	\$175.78	CHURCH	LR2	1	29	Seg/merge after sale; not in ratio
025	043	304320	0185	4,800	2980254	\$1,849,400	03/27/19	\$385.29	FOUR-PLEX	NC2-40	1	Y	
025	043	332504	9010	10,288	2895152	\$3,235,000	10/12/17	\$314.44	4-PLEX	NC2-40	2	Y	
025	043	348300	0000	10,343	2964634	\$3,800,000	12/03/18	\$367.40	HOWELL HOUSE	LR3	2	Y	
025	043	600300	1005	16,950	2963634	\$10,175,000	11/27/18	\$600.29	Car Tender (primary parcel)	NC3-75 (M1)	3	Y	
025	043	600300	1560	5,600	2931626	\$1,900,000	05/23/18	\$339.29	FOURPLEX	LR3	1	Y	
025	043	600300	1560	5,600	3022198	\$2,182,500	11/19/19	\$389.73	FOURPLEX	LR3 (M)	1	Y	
025	043	723460	0290	7,200	2990146	\$2,150,000	05/21/19	\$298.61	Patrick J. Sullivan House	LR3 (M)	1	Y	
025	043	949770	0075	8,800	2890844	\$3,220,000	09/22/17	\$365.91	Former Firestone Tire	NC3P-65	1	Y	
025	044	195970	0015	17,922	3027844	\$8,100,000	12/30/19	\$451.96	retail	NC2P-65 (M1)	2	Y	not included in analysis
025	044	195970	1451	2,106	2982717	\$600,000	04/15/19	\$284.90	2823-2825 Franklin Ave E	LR2	2	Y	
025	044	195970	2937	3,787	2929093	\$1,050,000	05/01/18	\$277.26	Outdoor storage lot	NC2-40	1	Y	
025	044	202504	9138	11,271	2950438	\$3,500,000	08/24/18	\$310.53	4-PLEX	LR2	2	26	Imp changed after sale; not in ratio
025	044	290220	0400	28,040	2895593	\$8,200,000	10/11/17	\$292.44	3 DUPLEXES & SFR	LR2	4	Y	
025	044	290220	0640	6,150	3026063	\$2,396,200	12/16/19	\$389.63	6 UNIT APT	NC2-65 (M2)	1	Y	
025	045	225450	2245	7,680	2899057	\$1,475,000	10/23/17	\$192.06	PARKING LOT	LR1	1	Y	
025	045	722850	0175	106,254	2866094	\$23,250,000	05/23/17	\$218.82	POST OFFICE	NC2P-40	9	Y	
025	045	722850	0182	23,394	2893759	\$4,500,000	10/06/17	\$192.36	South Portion of Midtown Center	NC2P-75 (M1)	3	Y	
025	045	796010	0356	2,700	2982155	\$700,000	04/08/19	\$259.26	SERVICE GARAGE	NC1-40	1	Y	
025	045	912610	1695	9,030	2920750	\$2,050,000	03/19/18	\$227.02	CHERRY HILL BAPTIST CHURCH	NC1-40 (M2)	2	Y	
025	046	180690	0455	4,800	2988730	\$1,575,000	05/15/19	\$328.13	4-PLEX	LR3 (M)	1	26	Imp changed after sale; not in ratio
025	046	191210	0620	4,500	3019349	\$1,200,000	09/13/19	\$266.67	2412 10th Ave E	NC1-55 (M)	1	Y	not included in analysis
025	046	684770	0410	7,200	2965590	\$2,980,000	12/03/18	\$413.89	323 Bellevue Ave E	MR	1	Y	
025	046	685070	0480	5,927	2948585	\$2,350,000	08/21/18	\$396.49	Tucker House - Open Office with 2nd F	MR	1	Y	
025	046	685170	0030	12,020	2888144	\$4,525,000	09/01/17	\$376.46	8-UNIT APT	LR3	1	Y	
025	046	685170	0330	15,108	2940311	\$5,200,000	07/01/18	\$344.19	THE LANCE APTS	LR3	4	Y	
025	046	685270	0421	4,400	2916738	\$1,475,000	02/26/18	\$335.23	FOURPLEX	LR3	1	26	Imp changed after sale; not in ratio
025	046	685270	0425	3,475	2926621	\$1,600,000	04/11/18	\$460.43	FOURPLEX	LR3	1	Y	
025	046	942140	0035	7,879	2935469	\$2,960,000	05/23/18	\$375.68	15th Ave Parking Lot	NC2P-40	1	Y	
025	047	438570	1043	7,200	3030035	\$3,500,000	01/09/20	\$486.11	East Lynn Apartments	LR3 (M)	1	Y	
025	047	501600	1270	9,000	2966630	\$1,374,030	12/14/18	\$152.67	Newborn Pentecostal Church	SF 5000	1	26	Imp changed after sale; not in ratio
025	047	515770	0161	5,500	2847341	\$1,510,000	01/27/17	\$274.55	4 UNIT	LR2	1	Y	
025	047	715220	0015	5,000	2879237	\$1,799,812	07/21/17	\$359.96	1132 34th Ave	NC1-30	1	Y	

Improvement Sales for Area 025 with Sales not Used

04/01/2020

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	041	066000	2760	20,512	2847893	\$181,510	02/07/17	\$8.85	Melrose Market Bldg	NC3P-85	1	43	Development rights parcel to prvt se
025	041	066000	2760	22,360	2970993	\$307,825	01/22/19	\$13.77	Melrose Market Bldg	NC3P-85	2	22	Partial interest (1/3, 1/2, etc.)
025	041	314860	0010	3,380	2970959	\$1,200,000	01/17/19	\$355.03	229-231 Harvard Ave E	MR	1	20	Correction deed
025	041	600350	0360	14,400	2876715	\$48,500	06/21/17	\$3.37	Everyday Music	NC3P-65	3	24	Easement or right-of-way
025	041	600350	0360	14,400	2920742	\$83,500	03/16/18	\$5.80	Everyday Music	NC3P-65	1	24	Easement or right-of-way
025	041	872560	0115	6,570	2891022	\$4,260,825	09/19/17	\$648.53	Retail/Gallery	NC3P-65	2	15	No market exposure
025	041	872560	0425	4,810	2881215	\$28,333	05/16/17	\$5.89	SFR - BAROKAS & MARTIN LAW O	NC3P-65	1	22	Partial interest (1/3, 1/2, etc.)
025	041	872560	0425	4,810	2881214	\$28,333	05/12/17	\$5.89	SFR - BAROKAS & MARTIN LAW O	NC3P-65	1	22	Partial interest (1/3, 1/2, etc.)
025	041	872560	0425	4,810	2881213	\$28,333	07/06/17	\$5.89	SFR - BAROKAS & MARTIN LAW O	NC3P-65	1	22	Partial interest (1/3, 1/2, etc.)
025	042	197820	0885	2,236	2850130	\$15,000	01/12/17	\$6.71	1320 PROFESSIONAL CENTER	HR	1	24	Easement or right-of-way
025	042	197920	0050	35,731	2938123	\$1,310,320	06/22/18	\$36.67	Town Hall Seattle	HR	1	43	Development rights parcel to prvt se
025	045	322504	9017	24,248	2975924	\$4,800,000	02/27/19	\$197.95	1120 12th Ave	NC3P-65	1	57	Selling or buying costs affecting sa
025	046	220750	0345	3,704	2944732	\$3,400,000	07/31/18	\$917.93	BERTSHI SCHOOL	LR2	1	36	Plottage
025	047	715220	0235	4,188	2981431	\$2,800,000	04/06/19	\$668.58	Red Cow Restaurant + Residence	NC1-30	1	51	Related party, friend, or neighbor
025	047	715220	0320	2,288	2919579	\$625,000	03/13/18	\$273.16	World Travel Center	NC1-30	1	15	No market exposure

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
025	041	684870	0065	3,830	2909173	\$1,100,000	12/22/17	\$287.21	COIN-OP LAUNDRY, CAFE & DUPL	MR	1	36	Plottage
025	041	880490	0680	10,000	3008117	\$7,572,437	08/30/19	\$757.24	LENOX APTS	MR	2	11	Corporate affiliates
025	042	197820	0469	5,193	3002254	\$1,400,000	07/29/19	\$269.59	Panorama House Parking Lot	HR (M)	1	52	Statement to dor
025	042	859090	0125	21,600	2874778	\$11,400,000	06/30/17	\$527.78	PARKING LOT	HR	3	51	Related party, friend, or neighbor
025	043	600300	0170	1,200	2853464	\$300,000	03/15/17	\$250.00	Parking lot behind 1310 E Pike St	NC3P-65	1	36	Plottage
025	043	600300	0170	8,962	2944664	\$4,530,000	07/30/18	\$505.47	Former Frans Chocolate Factory	NC3P-65	1	56	Builder or developer sales
025	043	600300	1000	7,910	2999303	\$5,894,000	07/12/19	\$745.13	RETAIL W/APTS	NC3-75 (M1)	2	36	Plottage
025	045	332504	9058	286	2913609	\$6,600	02/01/18	\$23.08	Vacant Landlocked parcel	NC2P-55 (M)	1	67	Gov't to non-gov't
025	046	330370	0085	13,731	2967547	\$2,750,000	12/21/18	\$200.28	HILLTOP SERVICE STATION	NC2P-40	2	46	Non-representative sale

2020 AREA 25 PHYSICAL INSPECTION

Major	Minor	AddrLine
872560	0325	1411 BELLEVUE AVE
872560	0330	1417 BELLEVUE AVE E
872560	0420	1422 BELLEVUE AVE E
872560	0410	401 E PIKE ST
600300	1630	E HOWELL ST
600300	1495	1800 13TH AVE
600300	1535	1824 13TH AVE
600300	1525	13TH AVE
600300	1520	1816 13TH AVE
600300	1415	1820 12TH AVE
600300	0980	1709 14TH AVE
600300	0985	1703 14TH AVE
600300	0810	1600 14TH AVE E
600300	0805	1600 14TH AVE E
600300	0814	1320 E PINE ST
600300	0755	1600 13TH AVE
600300	0895	1312 E OLIVE ST
600300	0896	1300 E OLIVE ST
600300	0910	1714 13TH AVE E
600300	0210	13TH AVE
600300	0205	13TH AVE
600300	0220	1520 13TH AVE
600300	1040	1201 E HOWELL ST
750250	0041	704 E UNION ST
750250	0040	706 E UNION ST
750250	0045	722 E UNION ST
750250	0050	1409 HARVARD AVE
880490	0735	1728 SUMMIT AVE
600300	0200	14TH AVE
600300	0370	1525 13TH AVE
872560	0350	1431 MINOR AVE
600300	1240	1819 HARVARD AVE
181780	0005	1807 HARVARD AVE E
181780	0010	HARVARD AVE E
600350	0490	1000 E PINE ST
600350	0575	1621 12TH AVE
600350	0510	1110 E PINE ST
172880	0145	1727 15TH AVE
172880	0150	1721 15TH AVE
600300	0877	Vacant Parcel
135530	0051	1419 E HOWELL ST
600300	0820	1603 14TH AVE
600300	0740	1300 E PINE ST
872560	0275	314 E PIKE ST

2020 AREA 25 PHYSICAL INSPECTION

Major	Minor	AddrLine
600300	1045	1731 13TH AVE
872560	0270	300 E PIKE ST
066000	1920	1121 PIKE ST
386540	0030	1314 E UNION ST
022200	0020	1400 E PIKE ST
022200	0010	1522 14TH AVE E
022200	0034	1510 14TH AVE E
600300	0270	1511 14TH AVE
600300	0295	1324 E PIKE ST
600300	0300	1316 E PIKE ST
600300	0100	1300 E MADISON ST
600300	0160	Parking Lot
600300	0175	1310 E PIKE ST
600300	0235	1532 13TH AVE
600350	0595	1710 11TH AVE
600350	0650	1107 E HOWELL ST
600300	0155	1413 14TH AVE
600300	0140	1327 E MADISON ST
600300	0150	1319 E MADISON ST
386540	0005	1313 E MADISON ST
386540	0006	1315 E MADISON ST
600300	0095	1221 E MADISON ST
872560	0430	1412 BELLEVUE AVE E
600300	0065	1205 E PIKE ST
600300	1025	1728 12TH AVE
600300	1015	1720 12TH AVE
600300	1010	1718 12TH AVE
600300	1000	1716 12TH AVE
600300	1005	1706 12TH AVE
600300	0995	1704 12TH AVE
600300	0990	1700 12TH AVE
872560	0425	Vacant Parcel
600300	1130	1500 HARVARD AVE
600300	0600	1500 HARVARD AVE
600300	0605	900 E PINE ST
600300	1105	1700 BROADWAY
600300	1115	1732 BROADWAY
880490	1000	1415 SUMMIT AVE
750250	0060	1407 HARVARD AVE
872560	0265	1510 MELROSE AVE
872560	0260	1516 MELROSE AVE E
872560	0155	1610 MELROSE AVE
872560	0115	1351 E OLIVE WAY
872560	0110	1359 E OLIVE WAY



2020 AREA 25 PHYSICAL INSPECTION

Major	Minor	AddrLine
872560	0550	1411 E OLIVE WAY
872560	0540	1413 E OLIVE WAY
872560	0095	1815 BELLEVUE AVE E
684870	0030	1525 E OLIVE WAY
684870	0005	1510 OLIVE WAY
684870	0015	1501 OLIVE WAY
684870	0090	620 E HOWELL ST
880490	0725	1722 SUMMIT AVE
872560	0530	1416 E OLIVE WAY
880490	1080	422 E PINE ST
880490	1025	420 E PIKE ST
872560	0520	400 E PINE ST
872560	0475	1500 BELLEVUE AVE E
880490	1085	414 E PINE ST
872560	0595	1706 BELLEVUE AVE E
872560	0586	Parking Lot
872560	0580	1718 BELLEVUE AVE E
872560	0570	1722 BELLEVUE AVE
880490	0900	501 E PINE ST
880490	0890	1516 SUMMIT AVE
880490	0865	500 E PIKE ST
880490	0860	512 E PIKE ST
880490	0855	1507 BELMONT AVE
880490	0845	1519 BELMONT AVE
880490	0840	1521 BELMONT AVE
880490	0685	1713 BELMONT AVE
880490	0360	1525 BOYLSTON AVE
880490	0345	1533 BOYLSTON AVE
880490	0350	611 E PINE ST
880490	0480	610 E PINE ST
880490	0470	1611 BOYLSTON AVE
880490	0455	1617 BOYLSTON AVE
880490	0460	1625 BOYLSTON AVE
600300	0070	1217 E PIKE ST
600300	0365	1533 13TH AVE
600300	0340	1522 12TH AVE
880490	0910	517 E PIKE ST
600350	0265	1401 12TH AVE
600350	0255	1417 12TH AVE
600350	0245	1121 E PIKE ST
600350	0340	1122 E PIKE ST
600350	0335	1515 12TH AVE
600350	0330	1517 12TH AVE
600350	0315	1519 12TH AVE

2020 AREA 25 PHYSICAL INSPECTION

Major	Minor	AddrLine
600350	0306	1530 11TH AVE E
880490	0570	1717 BOYLSTON AVE
600300	1225	1727 HARVARD AVE
600300	1220	1700 HARVARD AVE
880490	0985	423 E PIKE ST
880490	0065	1723 HARVARD AVE
872560	0445	401 E PINE ST
872560	0455	1520 BELLEVUE AVE
600300	0570	1609 HARVARD AVE
600350	0395	1021 E PINE ST
600350	0400	1001 E PINE ST
880490	0990	415 E PIKE ST
600350	0460	915 E PINE ST
600300	0442	909 E PINE ST
600300	0470	801 E PINE ST
880490	0176	705 E PINE ST
600350	0170	11TH AVE
600350	0280	1100 E PIKE ST
600350	0190	1101 E PIKE ST
880490	0175	701 E PINE ST
066000	2760	1531 MELROSE AVE
750250	0010	802 E PIKE ST
750250	0015	814 E PIKE ST
600300	0525	824 E PIKE ST
600300	0520	1509 BROADWAY
600300	0510	1515 BROADWAY
600300	0505	1519 BROADWAY
600300	0445	1534 BROADWAY
600300	0440	1500 BROADWAY
066000	2765	1201 PINE ST
600300	0430	1514 BROADWAY
600300	0410	1502 BROADWAY
600300	0035	905 E PIKE ST
600300	0010	1400 BROADWAY
600300	0015	1400 BROADWAY
600300	0020	1414 BROADWAY
600300	0025	1420 BROADWAY
066000	2490	1208 PINE ST
600300	0030	1426 BROADWAY
600350	0005	915 E PIKE ST
600350	0480	916 E PIKE ST
600350	0345	1000 E PIKE ST
600350	0440	1016 E PIKE ST
600350	0285	1110 E PIKE ST

2020 AREA 25 PHYSICAL INSPECTION

Major	Minor	AddrLine
600350	0420	1525 11TH AVE
600350	0295	1512 11TH AVE
600350	0290	1508 11TH AVE
600350	0240	1115 E PIKE ST
600350	0025	1423 10TH AVE E
872560	0160	300 E PINE ST
600350	0076	1424 10TH AVE
600350	0010	925 E PIKE ST
600350	0085	1001 E PIKE ST
600350	0095	1005 E PIKE ST
600350	0090	1011 E PIKE ST
600350	0470	1521 10TH AVE
600350	0360	1520 10TH AVE
600350	0365	1001 Pine Street
066000	2555	1216 PINE ST
942140	0005	1821 15TH AVE
600300	1545	13TH AVE
600300	1395	1806 12TH AVE
066000	1860	1101 PIKE ST
600300	1400	1812 12TH AVE
600300	1420	1824 12TH AVE
600300	1434	1201 E DENNY WAY
600300	1435	1207 E DENNY WAY
600350	0806	1801 12TH AVE
872560	0355	1117 PIKE ST
600300	1385	935 E DENNY WAY
600300	1345	1812 BROADWAY
600300	1350	1818 BROADWAY
600300	1335	1500 Harvard Ave E
600300	1320	1821 BROADWAY
600300	1315	1827 BROADWAY
600300	1310	1831 BROADWAY



King County

Department of Assessments

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John Wilson

Assessor

As we start preparations for the 2020 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, 2020 in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standards 5 and 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

Area 25

2020 Assessment Year



Department of Assessments