

Commercial Revalue

2014 Assessment roll

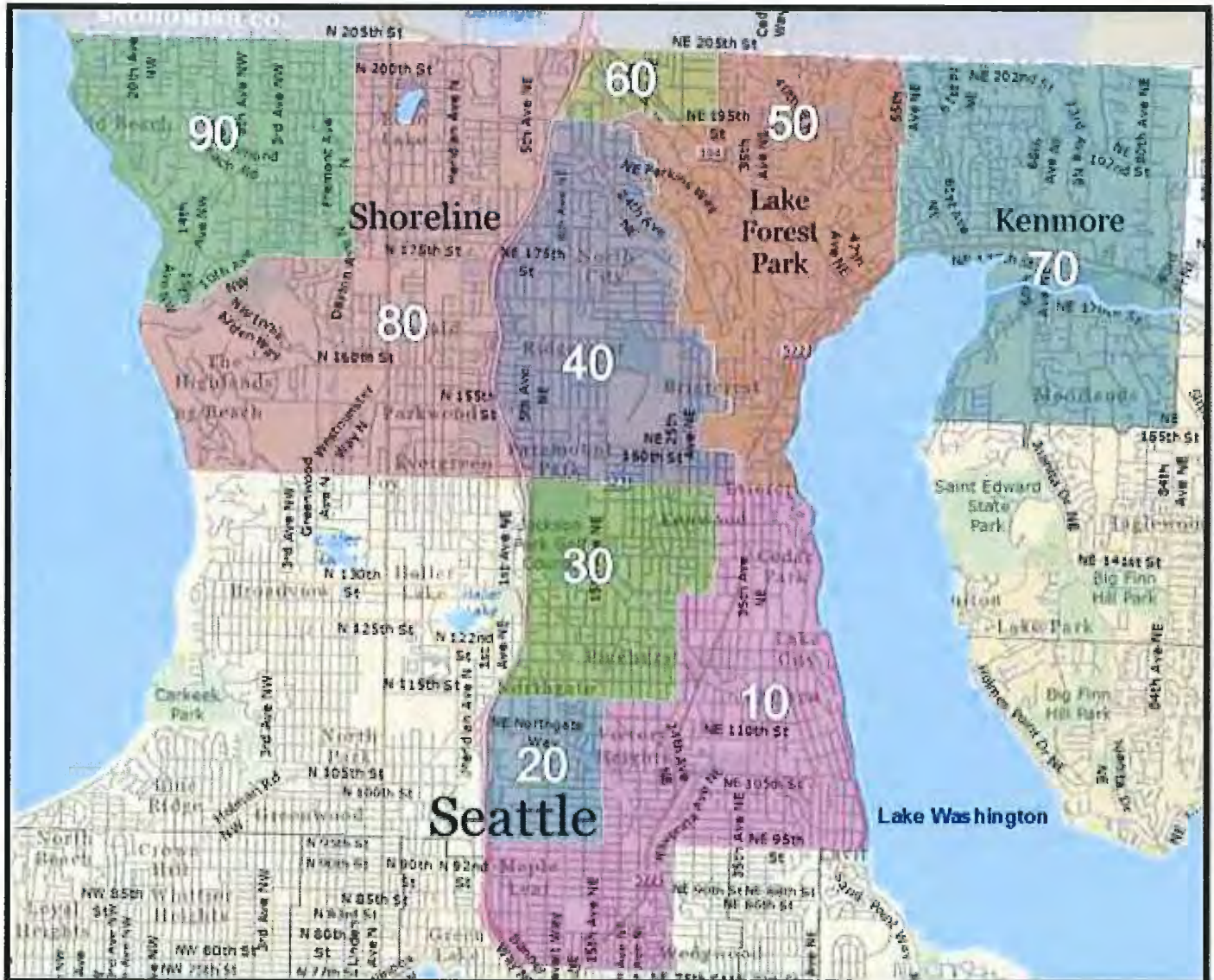
AREA 10

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

Lloyd Hara, Assessor

Commercial Area 10

Cities of Shoreline, Kenmore, Lake Forest Park, and Portions of Seattle
(Northgate, Lake City, Maple Leaf, Pinehurst)





King County

Department of Assessments

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Lloyd Hara
Assessor

Dear Property Owners:

Property assessments for the 2014 assessment year are being completed by my staff throughout the year and change of value notices are being mailed as neighborhoods are completed. We value property at fee simple, reflecting property at its highest and best use and following the requirement of RCW 84.40.030 to appraise property at true and fair value.

We have worked hard to implement your suggestions to place more information in an e-Environment to meet your needs for timely and accurate information. The following report summarizes the results of the 2014 assessment for this area. (See map within report). It is meant to provide you with helpful background information about the process used and basis for property assessments in your area.

Fair and uniform assessments set the foundation for effective government and I am pleased that we are able to make continuous and ongoing improvements to serve you.

Please feel welcome to call my staff if you have questions about the property assessment process and how it relates to your property.

Sincerely,

Lloyd Hara
Assessor

Executive Summary Report

Appraisal Date 1/1/14

Geographic Appraisal Area

- Area 10: Cities of Shoreline, Kenmore, Lake Forest Park, and Portions of Seattle (Northgate, Lake City, Maple Leaf, Pinehurst)
- Number of Parcels, Excluding Specialties: 1,282

Sales – Improved Analysis Summary / Ratio Study

- Number of Sales: 38
- Range of Sales Dates: 03/2011 - 12/2013

<i>Sales – Improved Valuation Ratio Study Summary:</i>				
	<i>Mean Assessed Value</i>	<i>Mean Sale Price</i>	<i>Ratio</i>	<i>COD*</i>
<i>2013 Value</i>	\$954,100	\$1,057,300	90.2%	14.02%
<i>2014 Value</i>	\$1,002,400	\$1,057,300	94.8%	7.45%
<i>Change</i>	+\$48,300		+4.6%	-6.57%
<i>% Change</i>	+5.06%		+5.10%	-46.86%

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

Ratio Study: The sales used in the ratio study are a subset of the sales used in analysis. Excluded are properties which experienced a change of use immediately following the sale. COD is a measure of uniformity, the lower the number the better the uniformity.

<i>Total Population – Parcel Assessed Value Summary</i>			
	<i>Land</i>	<i>Improvements</i>	<i>Total</i>
<i>2013 Value</i>	\$1,133,101,400	\$516,868,090	\$1,649,969,490
<i>2014 Value</i>	\$1,189,076,427	\$520,378,273	\$1,702,516,000
<i>Change</i>	+\$55,975,027	+\$3,510,183	+\$52,546,951
<i>Percent Change</i>	+4.94%	+0.68%	+3.19%

Conclusion and Recommendation

Total assessed values for the 2014 revalue have increased 3.19%.

The values recommended in this report improve uniformity and equity; therefore it is recommended they should be posted for the 2014 Assessment Year.

Analysis Process

Effective Date of Appraisal

January 1, 2014

Date of Appraisal Report

April 22, 2014

Highest and Best Use Analysis

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

As if improved: Based on neighborhood trends, both demographic and current development patterns, the existing buildings represent the highest and best use of most sites. The existing use will continue until land value in its highest and best use exceeds the sum of value of the entire property in its existing use and the cost to remove the improvements. We find that the current improvements do add value to the property. In most cases, the highest and best use of the property is as improved. In those properties where the property is not at its highest and best use, a nominal value of \$1,000.00 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. There may not be enough demand for office space to justify the construction of a multi-story office building at the present time but increased demand maybe expected within 1-5 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. Interim uses are current highest and best uses that are likely to change in a relatively short time.

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

Special Assumptions and Limiting Conditions

All three approaches to value were considered in this appraisal.

- Sales from 01/01/2011 to 1/1/2014 (at minimum) were considered in all analyses.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6.

Identification of the Area

Name or Designation

- Area 10: Cities of Shoreline, Kenmore, Lake Forest Park, and Portions of Seattle (Northgate, Lake City, Maple Leaf, Pinehurst)

Boundaries

- West – Puget Sound
- North – Snohomish County
- East – Lake Washington & City of Bothell
- South – NE 145th Street (West of I-5) / NE 77th Street & NE 95th Street (East of I-5)

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

Geographic Area 10 consists of cities and neighborhoods located in NW King County, which boundaries are generally defined as the King/Snohomish County line to the north, NE 145th Street (West of I-5) and NE 77th Street/NE 95th Street (East of I-5) to the south, Lake Washington/City of Bothell to the east, and Puget Sound to the west. Within Area 10, there are nine neighborhood clusters totaling 1,282 parcels (including specialty parcels) that have been established for valuation purposes.

Neigh.	Neighborhood Name	Neigh.	Neighborhood Name
10	Lake City Way Corridor, Maple Leaf	60	N.E. Shoreline (Ballinger)
20	Northgate	70	Kenmore
30	N.E. Seattle (Pinehurst - 15 th Avenue Corridor)	80	W. Shoreline (Highway 99 Corridor)
40	E. Shoreline (North City - 15 th Avenue Corridor)	90	N.W. Shoreline (Richmond Beach)
50	Lake Forest Park		



The City of Shoreline (Neighborhoods 40, 60, 80, 90 & Portion of 10) is located in the northern sector of Area 10, with the Cities of Lake Forest Park (Neighborhood 50) and Kenmore (Neighborhood 70) being located in the northwest sector of Area 10 and parts of the City of Seattle (Neighborhoods 10, 20, & 30) located in the southeast sector of Area 10. Most neighborhoods are generally similar with centralized business districts that provide services for a mix of single and multi-family residences.

Area 10-10 - Lake City Way Corridor and Maple Leaf

Boundaries: Area 10-10 consists of those vacant and improved commercial properties located proximate to Lake City Way within the City of Seattle. A small number of parcels in southeast Shoreline, along Bothell Way NE (an extension of Lake City Way NE) have been included in this area. Area 10-10 also includes the primarily residential neighborhood of Maple Leaf, which lies west of Lake City Way and south of the Northgate neighborhood (10-20). Commercial properties are mostly along Roosevelt Way NE and 5th Avenue NE in Maple Leaf.

- North – NE 149th Street/ NE 145th Street
- South – NE 77th Street / NE 95th Street
- East – Primarily Lake Washington & Portion of 25th Avenue NE
- West – Portions of I-5, 15th Avenue NE / 25th Avenue NE / 30th Avenue NE



Neighborhood Description: The Lake City neighborhood is located in the northeast corner of the City of Seattle and is approximately 7 miles from downtown. This neighborhood was annexed into Seattle in 1954 when the city limits were expanded from 85th Street to 145th Street. Much of the Thornton Creek Watershed is located in 10-10 which impacts development. In addition, there are City designated slide and steep slope hazards in the southern part of this neighborhood which also affect land use. Maple Leaf began as a suburb of Seattle, having been subdivided in the 1890s. It was annexed by Seattle in the early 1950s.



Rekhi Mixed Use Apartments (2001)



Lake City Square (2007)

The majority of the commercial properties run along Lake City Way NE. The zoning designations on this corridor vary depending on the impact of the topography and riparian corridors. From the heavily impacted NE 95th Street, north to NE 120th Street, Commercial 1 (C1) zoning dominates. This is an auto-oriented zoning that allows for retail and service uses that support the surrounding neighborhoods as well as a citywide or regional clientele. Typical of this zoning classification are the automobile sales and service businesses that are located on Lake City Way NE. There is limited multi-family low rise zoning approximately one block off of the main corridor. From NE 120th Street north to NE 128th Street, the topography is relatively flat and the influence from Thornton Creek is minimal. The zoning pattern changes along this portion of the corridor to a Neighborhood Commercial 3 (NC3) designation. This pedestrian-oriented zoning creates a shopping district that services the community. A mix of old and new, single-story retail and office buildings are located here as well as newer multi-story mixed-use and residential structures. Lake City Square is an example of the development that an NC3 zoning encourages. Located at the corner of NE 125th Street and Lake City Way NE, this one story, 29,695 square foot retail center is anchored by Bartell's Drugstore and includes BECU and T-Mobile on the tenant roster. The storefronts abut the arterial sidewalks to help create a pedestrian friendly atmosphere. The Rekhi Apartments, located directly across from Bartell's, are another example of construction allowable within the NC3 guidelines. This 6-story mixed-use building has basement parking, street level retail and offices, and upper floor residential units. The business district along this portion of Lake City Way NE expands by several blocks on both the east and west sides of the corridor. The NC3 zoning changes to multi-family residential zones in the portions furthest from the arterial. Common-walled townhouse construction predominated in the low rise residential zones during the past decade. From NE 128th Street north to NE 145th Street, C1 zoning again predominates along Lake City Way NE. Small retail outlets and offices are interspersed with auto sales and service businesses. Fred Meyers, located at NE 130th Street, is typical of the construction in the C1 zoning classification. The multi-family residential zones to the west of Lake City Way NE are heavily developed with apartment complexes.



Toyota of Lake City (2011).



Seattle Mini Cooper (2006)

The pace of construction for downtown Seattle is booming with a dozen tower cranes visible from I-5 and seven tower cranes in the University district. The pace of new construction in Area 10-10 is picking up slowly. The primary construction area is in the downtown area and the construction activity decreases as you radiate out from the core business area.

Array Apartments is a planned mixed-use development with a permit value of \$47 million for a 319-unit residential apartment with ground floor retail and 64 affordable housing units at NE 140th and Lake City Way. This was completed in 2014 and is located at 14027 Lake City Way NE.

Wedgewood has a new development of Pod-ment style apartment 4-story project with 80 units ranging from 150 to 200 sf and one kitchen on each level. It is in the framing and pre-siding stage with insulation installed it is located at 8512 20th Ave NE next to the indoor sport facility.



Array Apartments

Pod-ment 80 unit 4-story under construction

Maple Leaf is a primarily residential neighborhood, with the majority of commercial properties along Roosevelt Way NE, with some along 5th Ave NE. Roosevelt Way NE features single-family-residence conversions, stand-alone single-occupant offices, small mixed-use buildings featuring a dwelling unit and a commercial unit, low-rise multi-tenant strip retail/office centers, and mixed-use apartments and condominiums with retail or office on the street level. Zoning is mostly Neighborhood Commercial (NC). There are limited garage/warehouses in this area.



Maple Leaf Park Proposed Updates

Proposed Light Rail Stops

The Maple Leaf Park is being upgraded and expanded to include pedestrian and play areas on the newly lidded Maple Leaf Reservoir.

Sound Transit is currently seeking bids for the construction of a 3.6-mile tunnel from the University of Washington to Maple Leaf. Work is expected to begin late 2013 or early 2014, with completion expected in 2018. The Camp Fire property was foreclosed on in 2013 at 8511 15th Ave NE and the buyer is Greenwood

Equity Capital II. At the cost of \$600,000, substantial alterations to existing building, with a change in use to a school.



Camp Fire Building

Area 10-20 - Northgate

Boundaries: Area 10-20 consists of those vacant and improved commercial properties located proximate to east/west Northgate Way (NE 111th Street) and north/south of 5th Avenue NE and Roosevelt Way NE.

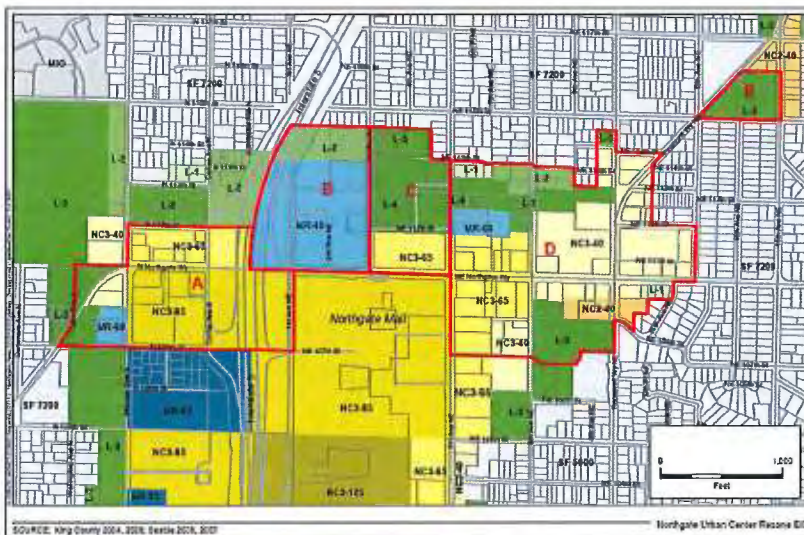
- North – NE 115th Street
- South – NE 95th Street
- East – 15th Avenue NE
- West – Interstate 5



Neighborhood Description: Northgate, located approximately 5 miles north of downtown, is a district of neighborhoods in North Seattle that is named for and includes the Northgate Mall. Opened in 1950, the Northgate Mall was the first covered regional shopping center in the United States. The Northgate area is one of six areas identified as an Urban Center by the City of Seattle's 1993 Comprehensive Plan.

Urban Centers are areas where the most intensive development in the city is expected to be concentrated. In 2003, when Northgate lagged behind other Urban Centers in terms of job growth, the City adopted a resolution to revitalize Northgate. These steps have led to new public and private development. Projects that have been completed are the new public library, community center and park, expansion of the Northgate Mall, and the development of the south parking lot.

This neighborhood is also impacted by the Thornton Creek Watershed. The concentration of commercial properties located in Area 10-20 is primarily along NE Northgate Way or to the south of Northgate Mall. Neighborhood Commercial 3 zoning with height limits of 85-125 feet dominates. Aside from a cluster of office buildings south of the mall, the focus of the Northgate core is retail. Smaller retail centers are located to the east on NE Northgate Way; however, the NC3 height limit decreases to 40 feet near Roosevelt Way NE. The NC zone designation allows for non-street level residential use, but until recently, this area has not maximized the allowable mixed-use potential.



A rezone is pending, that if approved, will change the zoning of up to 98 acres of land in the neighborhood. It will increase the permitted intensity, and height of development on parcels currently zoned L3, MR-60, NC3-40, and NC3-85. The new zoning will encourage affordable housing with density bonuses, and encourage street level retail and pedestrian amenities for a more pleasant walkable community.

The city is planning to bring the Sound Transit light rail line through this area, via the University District with the proposed Northgate Station to open in 2021. Construction is slated to begin in late 2013. The travel time from Northgate to Downtown Seattle is expected to be 13 minutes. The new station will have two walking corridors to connect to the Northgate Mall and the King County Park and Ride Transit Center. An additional parking garage of 600-900 spaces is planned to replace the lost parking that the construction on the light rail line will create. The proposed rezone in the area is designed to complement the coming of the pedestrian friendly rail line, anticipated at 15,000 riders a day by 2030. The pending arrival of light rail to the Northgate neighborhood has been a driving force in the evolution of the above-cited rezoning efforts. Potential rezoning is now being referred to in the broader context of the "Northgate Station Area Development" – a collaborative study between the City of Seattle, King County, the Puget Sound Regional Council, and Sound Transit with the intention of making the Northgate Urban Area more "livable" with the pending arrival of numerous mass transit options.



Proposed Northgate Sound Transit Station

The revitalization efforts in the Northgate neighborhood are evident in the new projects that have been completed in the last few years. The Northgate Mall was expanded and received an overdue updating. Thornton Place, a planned community situated on over 8 acres, was completed in 2009. This development includes a 3,000-seat theater complex with 14 screens and offers IMAX experience. There are 50,000 square feet of retail space and three residential offerings. Aljoya at Thornton Place is a retirement home with 143 senior residences, plus 278 apartments and 109 residential condominiums. Also completed in 2009, was 507 Northgate, which is a 307,000 square foot 5-story development that is located on the southeast corner of 5th Avenue NE and NE Northgate Way. There are over 45,000 square feet of ground floor retail space, basement parking garage and 163 upper level residential units.

Currently under construction is the “Enclave at 525”, which is a mixed-use property adjacent to 507 Northgate. A contract rezone of 72,985 square feet of land from NC3-65 to NC3-85 was passed in order to allow the 7-story development of these 266 residential units with 24,869 square feet of retail ground floor space. In order to streamline construction, a panel factory was set up on the adjacent parking lot. This enables them to prefabricate the wood walls for this project. Construction is scheduled for an October 2014 completion date.



Enclave at 525

In December 2012, the former Marie Calendars at 9538 1st Ave NE was purchased for a full site redevelopment as a hotel. The proposed project is 123,000 square feet with a 22,500 square foot parking garage that will accommodate 116 cars. The hotel will be operated by Hilton as a Hampton Inn & Suites. No start date has been determined for this project.

Area 10-30 – Northeast Seattle (Pinehurst – 15th Avenue NE Corridor)

Boundaries: Area 10-30 consists of those vacant and improved commercial properties located proximate to NE 15th Street and Northgate Way. Within Area 10-30, 15th Avenue NE is the primary north/south commercial thoroughfare, whereas NE Northgate Way is the primary east/west thoroughfare to the south and NE 145th Street is the primary east/west commercial thoroughfare to the north.

- North – NE 145th Street
- South – NE 115th Street
- East – NE 25th Avenue NE / 30th Avenue NE
- West – Interstate 5



Neighborhood Description: The predominant commercial land uses within this neighborhood include a mixture of retail, multi-family and low-rise office buildings. The primary cluster of commercial uses (retail and office) are proximate to the intersections of Northgate Way/Roosevelt Way, NE 125th Street/15th Avenue NE, and NE 145th Street/15th Avenue NE. Located across from the mall on NE Northgate Way is the power center, Northgate North. Target is the anchor of this multi-story retail complex which has an attached multi-level parking garage. Among the other tenants are Best Buy, Sports Authority, and Ross. The majority of multi-family development which includes condominiums is located proximate to the 15th Avenue NE corridor. Pinehurst has two neighborhood parks; Pinehurst Playfield and Pinehurst Pocket Park. Jackson Golf course is located in the NW sector of neighborhood 30.



The only recent major project in 10-30 has been the ground-up replacement store for the Safeway at 12318 15th Ave NE, which originally opened in 1923. This supermarket had its grand opening in November 2010 and is touted as Seattle's first "green" Safeway, as designated by the U.S. Green Building Council through its LEED-designation program.



"Pods" along 5th Ave NE

"Pod" Kitchenette

"Pod" Floorplan

A new housing type has entered the market in this area. A hybrid of single family and multi-family living has been introduced, that has been dubbed as "Pod" living. It is a hybrid of a single family house, but reflective of a modern rooming house or dorm room configuration. There is a communal great room with kitchen, and eight individual living units resembling a rooming house or dorm room setup. Each "pod" has a private wet-bar with microwave and refrigerator. Each house has limited parking, so being close to mass transit and shopping is important. These individual rooms are being marketed as the most affordable individual living available, and typically the utilities and Wi-Fi are included in the rent.

Area 10-40 – East Shoreline (North City - 15th Avenue NE Corridor)

Boundaries: Area 10-40 consists of those vacant and improved commercial properties located proximate to 15th Avenue NE, the primary north/south neighborhood commercial thoroughfare.

- North – NE 195th Street
- South – NE 145th Street
- East – City of Lake Forest Park
- West – Interstate 5



Neighborhood Description: North City is a suburban area developed in the “50s and 60s”. The area, which contains mostly single family detached housing, is bisected by 15th Avenue NE, an auto-oriented commercial strip (classified as principal arterial). The buildings are mostly one to two stories high and their footprints typically cover only a small portion of their sites. A major portion of each commercial site is reserved for parking and auto access.



The North City Project was completed in 2006. It included enhancements to the commercial area that were aimed at revitalizing the shopping district and increasing pedestrian safety. The majority of the parcels in this neighborhood have the North City Business District (NCBD) zoning designation. This zoning is designed to enhance the commercial core by creating a walkable main street with the focus on encouraging density while creating a privacy buffer for the adjoining residential properties. Design requirements include future storefronts that abut the sidewalk with parking located behind buildings, and mixed-use developments with street level commercial space, where offices and residences occupy the upper stories.

Area 10-50 – City of Lake Forest Park

Boundaries: Area 10-50 consists of those vacant and improved commercial properties located to the north of NE 145th Street, to the south of the Snohomish County line, to the east of the City of Shoreline, and to the west of the City of Kenmore and Lake Washington.

- North – Snohomish County
- South – NE 145th Street
- East – City of Kenmore & Lake Washington
- West – City of Shoreline

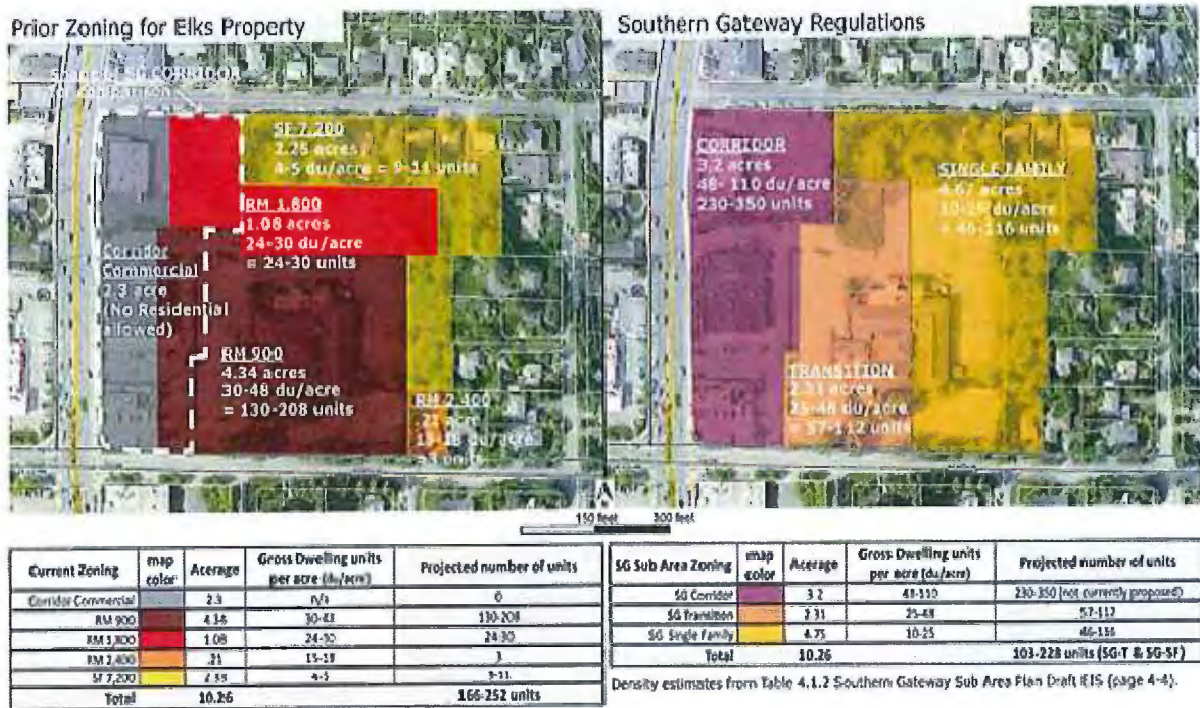


Neighborhood Description: The City of Lake Forest Park is a heavily forested, primarily residential community located 12 miles north of downtown Seattle. The majority of businesses are located at or near the Lake Forest Park Towne Centre shopping center, although there is another retail area located at the southern border of the city near 145th Avenue NE. There is no industrial development in the city limits. Multi-family apartments and condominiums are also present, primarily along Ballinger Way NE and Bothell Way NE.

The City Council passed both the Comprehensive Plan Update and the new Sensitive Areas Ordinance in 2005. Together they will insure environmental protection while accommodating growth in housing and economic development. The most significant issue in the Sensitive Areas Ordinance is the expansion of buffers next to streams from 25 to 115 feet. Currently, there are no vacant commercial or multi-family zoned parcels. Redevelopment of existing properties is the only change option available. There are no new commercial projects in this neighborhood.

The City of Lake Forest Park is developing the Southern Gateway Subarea Plan as an effort to plan for the neighborhood extending roughly from the city limits on the south to NE 157th St on the north and from 35th Ave NE to Lake Washington.

Number of Potential Residential Units per Zone Designation



The Southern Gateway Village Project is a redevelopment of the former Elks Lodge and six single family homes adjacent to the lodge property totaling 7.1 acres. The project is an urban in-fill project with adequate infrastructure to support the project. The planned community includes 1.2 acres of new open space including a linear park along the entry road and a central park connected with pedestrian ways throughout the community. These open space areas will be programmed with recreation opportunities. Newly planted trees will create mature canopy coverage exceeding 50% of the site area. The redevelopment of the Gateway Village will have housing options available in the community. The development will consist of detached single family homes on the north, south, and

east property lines. The higher density townhomes will be located in the interior of the site along the new north/south road as a buffer to the future development of the properties fronting on Bothell Way. The properties fronting on Bothell Way are not part of this project. Southern Gateway Village will be platted so that each home will be on its own legal lot with the intent to sell the homes. The open spaces, parks, and roads will be privately owned and maintained by the Homeowner's Association.

The housing will be provided in a variety of home configurations with 2-4 bedrooms and 2-3 stories in height with a 2-car garage. The current plans include 86 townhomes and 28 single family residences. Constructed project is to start the first quarter of 2014 and complete build out in 2 to 3 years.



Area 10-60 – Northeast Shoreline (Ballinger)

Boundaries: Area 10-60 consist of those vacant and improved commercial properties located proximate to Ballinger Way NE & NE 205th Street.

- North – Snohomish County Line (NE 205th Street)
- South – NE. 195th Street
- East – Lake Forest Park
- West – Interstate 5



Neighborhood Description: The predominant commercial land uses within this neighborhood include a mixture of retail, multi-family and low rise office buildings. Commercial property clusters at the intersections of Ballinger Way NE / 15th Avenue NE and Ballinger Way NE / 19th Avenue NE. Ballinger's small business community caters primarily to the shopping and service needs of the immediate residential community. The Ballinger Village shopping center is a hub for the area.



25th Place Condominium

Ballinger Village Shopping Center

In 2002, the City of Shoreline established the Property Tax Exemption (PTE) Program which remains in effect today. The "Market-Rate PTE Program", available in the Ballinger neighborhood, offers a 5-year tax exemption for multi-family residential development. The units need not be rated as "affordable". This particular program is also available in portions of Area 10-80 and 10-90.



New Office Space

New Housing Completed



New City Hall (2010)



Library (2012)



Fire Station (2010)

In 2010, the City of Kenmore completed construction of its new city hall and fire station, with its new library just opening in early 2012 and all of the properties are located on NE 181st Street. The Kenmore Village project will develop 4.75 acres of the upper portion of Kenmore Village (Park & Ride Lot) into 325 residential dwellings. The commercial portion of the Kenmore Village was being worked on with Benaroya Company, which decided not to move forward with their project due to limited tenant interest. Kenmore Camera purchased the Grocery Outlet building and has after remodeling moved into that space. The building was purchased for \$1.25 million on 4/3/2013.



Aerial Map of Kenmore Village Project site



Former QFC (later Grocery Outlet) at Kenmore Village



Kenmore Camera –former QFC

Area 10-80 - West Shoreline (Highway 99 Corridor)

Boundaries: Area 10-80 consist of those vacant and improved commercial properties located proximate to the Highway 99 (Aurora) Corridor.

- North – Snohomish County (N 205th Street)
- South – N. 145th Street
- East – Interstate 5
- West – Fremont Ave. N / Puget Sound



Neighborhood Description: The City of Shoreline, which incorporated in 1995, is located approximately 15 miles north of downtown Seattle. With a population of more than 54,350 residents, Shoreline is primarily a residential community. The main commercial district runs along Aurora Ave N from N 145th Street to N 205th Street. This section of road carries approximately 45,000 vehicles per day. The entire corridor is developed with older and newer properties with an assortment of uses. The dominant zoning designation for much of this corridor is Mixed Business (MB). The purpose of this zone is to encourage the development of mixed-use buildings that allow for a wide variety of uses, including residential. Some pockets of Industrial (I) zoned and high density residential zones (R-48), are also located on or near Aurora Avenue. Neither offers the flexibility of MB, but promotes compatible uses. R-48 allows for 48 dwelling units per acre that are typically a mix of apartments and townhouses. The Industrial (I) zone encourages business and office uses that support regional employment.

In 2002, the City of Shoreline established the Property Tax Exemption (PTE) Program which remains in effect today. The "Market-Rate PTE Program", available in the Aurora South and North corridors, offers a 5-year tax exemption for multi-family residential development. The units need not be rated as "affordable". This particular program is also available in portions of Area 10-40, 10-60, and 10-90.

The Aurora Corridor Project is a \$100 million dollar redesign and development of the three miles of Aurora Avenue N that run through Shoreline. The first and second sections from N 145th Street to N 165th Street and N 165th Street to N 192nd Street. Construction is almost complete on the last segment from N 192nd Street to N 205th Street. The goals of this project are to improve safety, provide better pedestrian access, improve traffic flow, and add streetscape amenities.



Aurora Corridor Project, street improvements before and after.

Forward looking, the City of Shoreline is anticipating light rail. The proposed Sound Transit light rail line will run from the cities of Seattle to Lynnwood. This light rail line extension, estimated to be complete in 2023, will likely have two stations located in this Aurora section of Shoreline.



Market Square, as rendering and completed (2011)

Aurora Rents (2012)

Weidner Apartment Homes recently completed its 148-unit Market Square project on Aurora Ave N between N 200th and N 205th Streets, just west of Costco. The complex is a mix of studio, 1 bedroom, and 2 bedroom units, and it features two levels of underground parking along with a large area for bicycle parking.

Other construction in this area: The City of Shoreline is upgrading many of the schools and the community college; Aurora Rents completed their new flagship store at N 176th Street and Aurora.



Per the City of Shoreline's Website, the Shoreline City Council recently designated the 70+ acre Aurora Square area as a Community Renewal Area (CRA) where economic renewal could have the potential to deliver public benefit. The area is home to an aging Sears, the robust Central Market grocery store, the regional headquarters of Washington State Department of Transportation, and a number of other smaller businesses. The center's infrastructure and connectivity is outdated, and the center provides little synergistic benefit for its businesses or community. This project is currently on hold due to limited investor interest.

New construction of commercial properties on Aurora Ave N in Shoreline are a 3-story medical office building at 16549 Aurora Ave N with 36,968 sf and Kia Auto Dealership of Chuck Olson at 17001 Aurora Ave N with 8,835 sf dealership area, 2,985 office space, and 5,187 garage shop area.



Medical Office

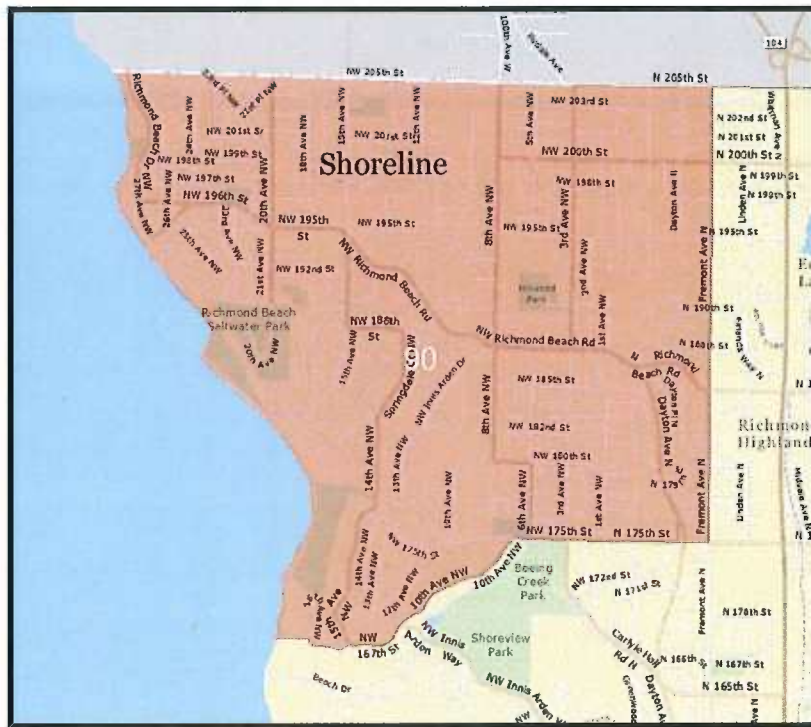


Kia-Chuck Olson

Area 10-90 – Northwest Shoreline (Richmond Beach)

Boundaries: Area 10-90 consist of those vacant and improved commercial properties located proximate to NW Richmond Beach Road. Within Area 10-90, Richmond Beach Road is the primary east/west commercial thoroughfare, whereas 8th Avenue NW is the primary north/south thoroughfare.

- North – Snohomish County
- South – N. 175th Street
- East – Fremont Avenue N.
- West – Puget Sound



Neighborhood Description: The predominant commercial land uses within this neighborhood include a mixture of retail, multi-family and low rise office buildings. The primary clusters of commercial uses are proximate to the intersections of NW Richmond Beach Rd. / 8th Avenue NW and NW 195th Street / 20th Avenue NW. Most of the commercial growth in this primarily residential area occurred prior to 1970.

Little commercial growth, except for multi-family housing, has occurred in this area since the mid 1970's. Only seven buildings have been built since 1975, with three of those being government buildings. This likely coincides with the lower traffic count in the area, and the limited commercially zoned parcels.

Physical Inspection Area

That portion Area 10-10 occurring south of NE 120th Street was physically inspected for the 2014 assessment year as required by WAC 458-07-015 4 (a). An exterior observation of the properties was made to verify the accuracy and completeness of property characteristic data that affect value. The physical inspection area represents 202 parcels, or 15.76% of the total 1,282 parcels (excluding specialties) located in Area 10.

Preliminary Ratio Analysis

A ratio study was completed just prior to the application of the 2013 recommended values. This study benchmarks the current assessment level using 2013 posted values. The study was also repeated after application of the 2014 recommended values. The results are included in the validation section of this report, showing an improvement of the Coefficient of Dispersion (COD) from 14.02% to 7.45%. The weighted mean ratio which is a statistical measure of assessment level went from 90.2% to 94.8%. The Price-related Differential (PRD) remained at 1.00. A discussion of the ratio measurements is included in the Model Validation section at the end of this report.

Scope of Data

Land Value Data

Vacant sales from 1/01/2011 to 1/01/2014 were given primary consideration for valuing land. Since January of 2011, there were 35 land sales, 26 of which were verified as “good” and considered for land valuation in Area 10. The primary unit of comparison is the price per square foot of land area. “Shell” sales, interim use sales, teardown sales, and land transactions that included plans and permits were considered in the analysis of the land values. Multi-parcel sales were also considered after combining the various aspects of all parcels involved in the sales.

Improved Parcel Total Value Data

Improved sales from 1/01/2011 to 12/31/2013 were given primary consideration for improved properties. Since January of 2011, there were 86 improved sales, 49 of which were verified as “good” and considered for land valuation in Area 10. Forty-eight of these sales were used in the ratio study. Sale parcels where the improvements or the use changed after the sale were not included in the ratio study.

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

Land Value

Land Sales, Analysis, Conclusions

For this revaluation period there were 26 land sales which were verified as “good” and considered for land valuation in Area 10.

Using Geographic Information System (GIS) mapping, the new land values are based on neighborhood land sales that are equalized with adjacent and similarly zoned properties. Sales occurred in neighborhoods 10-10, 10-20, 10-40, 10-50, 10-60, 10-70, and 10-80. General-, neighborhood- and mixed-use-commercial zones have remained at previously assessed value levels, or have increased, depending on the specific area. Values for multi-family zoned land have increased. Assessed land values have increased proceeding from the south to the north along Lake City Way in Area 10-10, owing to sales indications and the effects from physical site characteristics such as parcel shape, topography, creeks, wetlands, etc.

Most sold parcels were improved at the time of sale. Classification as a land sale, as opposed to an improved sale, occurs through sales verification process, where indications of permits, future plans or intentions, etc. are provided. The Sales Comparison approach to valuation was considered the most reliable and was utilized in the land valuation model. Values were estimated as a price per square foot. Location, zoning, development potential, and site size were the primary variables considered in the valuation process. Sales from competing areas were considered in the absence of sales within the subject area. The majority of the land values in Area 10 most increased and some remained unchanged for the 2014 assessment year.

The recommended land value for the 2014 Assessment year resulted in change from 2013 assessments of +4.94%. The total land assessed value for the 2013 assessment year for Area 10 was

\$1,879,383,450 and the total recommended land assessed value for the 2014 assessment year is \$1,872,514,700. These figures do not include the land value for the specialty properties in Area 10.

	2013 Total	2014 Total	\$ Increase/Decrease	% Change
Total Land Values	<i>\$1,133,101,400</i>	<i>\$1,189,076,427</i>	<i>+\$55,975,027</i>	<i>+4.94%</i>

Following are charts for each neighborhood in Area 10, depicting the number of land sales in each land-use type and the recommended land value schedule for each zone. In the absence of land sales in a given neighborhood during the current three-year period, historic land sales or sales from other similar neighborhoods were considered. The schedule represents typical values. Specific parcels may vary depending on specific characteristics. Lists of vacant sales used and not used in the appraisal process are presented in the following sections.

Area 10-10 - Lake City Way Corridor and Maple Leaf

There were 8 land sales in Area 10-10 from January 1, 2011 to January 1, 2014.

	Commercial	Industrial	Multi-family
# of Sales	21	1	0
Price range	\$84-\$375	\$137	N/A
SCHEDULE OF ASSESSED LAND VALUE, 10-10 (Lake City – Seattle/Shoreline)			
Zone Description	Zone Designation	Price/ SF	
Low Rise 1	LR-1	\$43-\$65	
Low Rise 2 / Res-Commercial	LR2/RC	\$48-\$75	
Low Rise 3 / Res-Commercial	LR3/RC	\$59-\$80	
Mid Rise	MR	\$59-\$69	
Commercial 1 – 30 feet	C1-30	\$48	
Commercial 1 – 40 feet	C1-40	\$43-\$85	
Commercial 1 – 65 feet	C1-65	\$43-\$65	
Neighborhood Comm 1 – 30 feet	NC1-30	\$48-\$59	
Neighborhood Comm 1 – 40 feet	NC1-40	\$82	
Neighborhood Comm 2 – 40 feet	NC2-40	\$43-\$90	
Neighborhood Comm 3/Ped – 65 feet	NC3/P-65	\$48	

Area 10-20 - Northgate

There were 2 lands sale in Area 10-20 from January 1, 2011 to January 1, 2014.

	Commercial	Industrial	Multi-family
# of Sales	3	0	0
Price range	\$130-\$326	N/A	N/A
SCHEDULE OF ASSESSED LAND VALUE, 10-20 (Northgate - Seattle)			
Zone Description	Zone Designation	Price/ SF	
Low Rise 2 / Res-Commercial	LR2/RC	\$70	
Low Rise 3	LR3	\$65-\$70	
Mid Rise	MR	\$70	
Neighborhood Comm 3 – 40 feet	NC3-40	\$40-\$50	
Neighborhood Comm 3 – 125 feet	NC3-125	\$65	

Area 10-30 – Northeast Seattle (Pinehurst – 15th Avenue NE Corridor)

There were no land sales in Area 10-30 from January 1, 2011 to January 1, 2014.

	Commercial	Industrial	Multi-family
# of Sales	1	0	0
Price range	\$174	N/A	N/A
SCHEDULE OF ASSESSED LAND VALUE, 10-30 (Pinehurst - Seattle)			
Zone Description	Zone Designation	Price/ SF	
Low Rise 1	LR1	\$55	
Low Rise 2	LR2	\$60	
Low Rise 3 / Res-Commercial	LR3/RC	\$40-\$65	
Mid Rise	MR	\$60	
Commercial 1 – 40 feet	C1-40	\$40-\$45	
Commercial 1 – 65 feet	C1-65	\$45	
Neighborhood Comm 2 – 40 feet	NC2-40	\$40-\$45	
Neighborhood Comm 3 – 40 feet	NC3-40	\$45	

Area 10-40 – East Shoreline (North City - 15th Avenue NE Corridor)

There was 1 land sale in Area 10-40 from January 1, 2011 to January 1, 2014.

	Commercial	Industrial	Multi-family
# of Sales	7	0	0
Price range	\$77-\$231	N/A	N/A
SCHEDULE OF ASSESSED LAND VALUE, 10-40 (North City - Shoreline)			
Zone Description	Zone Designation	Price/ SF	
Residential, 12 Units per Acre	R12	\$20-\$25	
Residential, 18 Units per Acre	R18	\$30-\$35	
Residential, 24 Units per Acre	R24	\$30-\$35	
Residential, 48 Units per Acre	R48	\$30-\$40	
Community Business	CB	\$35-\$40	
Contract Zone	CZ	\$30	
Neighborhood Business	NB	\$25-\$35	

Area 10-50 – City of Lake Forest Park

There was 1 land sale in Area 10-50 from January 1, 2011 to January 1, 2014.

	Commercial	Industrial	Multi-family
# of Sales	4	0	0
Price range	\$54-\$271	N/A	N/A
SCHEDULE OF ASSESSED LAND VALUE, 10-50 (Lake Forest Park)			
Zone Description	Zone Designation	Price/ SF	
Multi-Fam Res, 900 sf/Unit	RM-900	\$37-\$48	
Multi-Fam Res, 1800 sf/Unit	RM1800	\$26-\$27	
Multi-Fam Res, 2400 sf/Unit	RM-2400	\$27	
Multi-Fam Res, 3600 sf/Unit	RM-3600	\$27-\$32	
Corridor Commercial	CC	\$22-\$27	
Neighborhood Business	NB	\$32-\$38	
Towne Center	TC	\$30-\$37	

Area 10-60 – Northeast Shoreline (Ballinger)

There were 2 land sales in Area 10-60 from January 1, 2011 to January 1, 2014.

	Commercial	Industrial	Multi-family
# of Sales	0	0	0
Price range	N/A	N/A	N/A
SCHEDULE OF ASSESSED LAND VALUE, 10-60 (Ballinger - Shoreline)			
Zone Description	Zone Designation	Price/ SF	
Residential, 12 Units per Acre	R12	\$20-\$25	
Residential, 18 Units per Acre	R18	\$30	
Residential, 24 Units per Acre	R24	\$30-\$35	
Residential, 48 Units per Acre	R48	\$30-\$40	
Community Business	CB	\$25-\$30	
Contract Zone	CZ	\$35	

Area 10-70 - City of Kenmore

There were 5 land sales in Area 10-70 from January 1, 2011 to January 1, 2014.

	Commercial	Industrial	Multi-family
# of Sales	2	0	0
Price range	\$61-\$88	N/A	N/A
SCHEDULE OF ASSESSED LAND VALUE, 10-70 (Kenmore)			
Zone Description	Zone Designation	Price/ SF	
Residential – 12 units/acre	R-12	\$14-\$26	
Residential – 18 units/acre	R-18	\$20-\$25	
Residential – 24 units/acre	R-24	\$14-\$29	
Community Business	CB	\$20-\$26	
Neighborhood Business	NB	\$23-\$25	
Regional Business	RB	\$15-\$35	
Downtown Residential	DR	\$24	
Downtown Commercial	DC	\$26-\$30	

Area 10-80 - West Shoreline (Highway 99 Corridor)

There were 6 sales in Area 10-80 from January 1, 2011 to January 1, 2014.

	Commercial	Industrial	Multi-family
# of Sales	11	0	1
Price range	\$95-\$345	N/A	\$286
SCHEDULE OF ASSESSED LAND VALUE, 10-80 (HWY 99 - Shoreline)			
Zone Description	Zone Designation	Price/ SF	
Residential, 12 Units per Acre	R12	\$27-\$32	
Residential, 18 Units per Acre	R18	\$27-\$32	
Residential, 24 Units per Acre	R24	\$27-\$37	
Residential, 48 Units per Acre	R48	\$37-\$43	
Community Business	CB	\$32	
Contract Zone	CZ	\$32-\$43	
Neighborhood Business	NB	\$30-\$43	
Town Center 1	TC-1	\$43	
Town Center 2	TC-2	\$37-\$44	

Area 10-90 – Northwest Shoreline (Richmond Beach)

There were no land sales in Area 10-90 from January 1, 2011 to January 1, 2014.

	Commercial	Industrial	Multi-family
# of Sales	1	0	0
Price range	\$341	N/A	N/A

SCHEDULE OF ASSESSED LAND VALUE, 10-90 (Richmond Beach - Shoreline)		
Zone Description	Zone Designation	Price/ SF
Residential, 12 Units per Acre	R12	\$25
Residential, 18 Units per Acre	R18	\$30
Residential, 24 Units per Acre	R24	\$35
Residential, 48 Units per Acre	R48	\$30-\$40
Community Business	CB	\$30
Neighborhood Business	NB	\$30-\$32

Improved Parcel Total Values

Improved Sales, Analysis, Conclusions

There were 86 improved sales in Area 10 during the period from January 1, 2011 through December 31, 2013, which were considered to be good, fair market transactions, and were considered in the overall analysis. Forty-eight of the sales were included in the ratio study. Sale parcels where the improvements or the use changed after the sale were not included in the ratio study. Lists of improved sales used and not used in the appraisal process are presented in the following sections.

The verification of improved sales consisted of contact with a buyer, seller, or broker if possible, and information from CoStar, a real estate information service. During the sales verification process, information on vacancy and market absorption rates, current and anticipated rents, and the competitive position of the property were also gathered. Each sale was inspected and the recorded property characteristics adjusted when necessary. The resulting data was stratified according to use, location, effective age, quality of construction, and size in order to establish appropriate ranges of price per square foot to use as guidelines. Sales were then compared to similar properties for valuation.

The recommended total assessed values for the 2014 assessment year resulted in change from 2013 assessments of +3.18%. The total assessed value for the 2013 assessment year for Area 10 was \$1,649,969,490 and the total recommended assessed value for the 2014 assessment year is \$1,702,516,000. These figures do not include the total assessed values for specialty properties in Area 10.

	2013 Total Value	2014 Total Value	\$ Increase/Decrease	% Change
Change in Total Assessed Value	<i>\$1,649,969,490</i>	<i>\$1,702,516,000</i>	<i>+\$52,546,510</i>	<i>+3.18%</i>

Approaches to Total Value

Sales Comparison Approach Model Description

The sales comparison approach was deemed the most reliable method of valuation for some property types, including: single-family residential-commercial conversions, small daycares, freestanding small office and retail structures, small mixed use (residential/retail/office) buildings, mobile home parks, and individual situations deemed appropriate by the appraiser. A few of these property types had limited sales during the above stated date range or the property incurred a change of use. In these cases, older sales are used to complete the value ranges. Inclusion or exclusion of property types into or from this group is updated yearly based on sales activity in specific neighborhoods. Sale prices are compared to income approach valuations and land valuations before a determination is made to value according to the sales comparison approach.

Sale prices assist in establishing general upper and lower market boundary ranges for the various property types within Area 10. In conjunction with market rent surveys, the sale price per square foot can help set the income parameters and capitalization rates driving the income models developed for the various neighborhoods and the property types which are typically valued by the income approach. Location, use, quality, effective age, and size were factors considered for adjustment. The Sales Comparison Approach, thus, was also used as a guide to support estimating total assessed values for properties that typically rely on the income and cost approaches to value.

The commercial condominium typical unit values range from \$200 to \$310 per square foot of rentable area. The single family residences converted to commercial uses had a typical unit value range of \$200 per square foot to \$300 per square foot. The small freestanding retail or offices less than 3,000 square feet were typically valued from \$185 to \$310 per square foot of rentable area. These ranges represent a small average increase over 2013 ranges. Adjustments were made for size, effective age, and location serving as important variables of reconciling a total value. Specific property valuations may have been above or below the ranges discussed above.

Sales Comparison Calibration

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

Cost Approach Model Description

Cost estimates are automatically calculated via the Marshall & Swift Valuation modeling system. Depreciation was based on studies done by the Marshall & Swift Valuation Service. The cost is adjusted to the Western region and the Seattle area. Cost estimates are 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 approach might be special use properties such as theaters, gas stations, and on-going new construction. The cost approach may also be applied to interim use properties where the greater portion of the value is in the land.

Cost Calibration

The Marshall & Swift Valuation modeling system programmed into the Real Property Application adjusts to the region and the Seattle area.

Income Capitalization Approach Model Description

During the sales verification process, an attempt is made to obtain income and expense data from the parties involved in the transactions through interviews or via mail. The information requested includes current and anticipated future rents, operating expense breakdown and assigned responsibility for the expenses, and estimated capitalization rates associated with a sale. In addition, owners, tenants, and agents of non-sale properties are surveyed to collect similar data. Disclosure of this information is not required by law and therefore is often difficult to obtain. Telephone interviews are dependent upon obtaining a valid number for a knowledgeable party and the opportunity to contact them. Interviews with tenants in the field usually yield rental and expense information only. As a supplement, lease information is gathered from Costar, the Commercial Brokers Association, and other relevant websites. Data from recognized published sources helps to assist in developing capitalization rates, but primary influence is from the available market data. These publications tend to report data that is considered relevant to institutional-grade CBD and suburban real estate. Since property taxes are considered to be an allowable operating expense, no effective tax rate is included in the following capitalization rate data. The following table recaps the rates as reported by these publications.

[illegible]

SEATTLE / PACIFIC NW CAP RATES

Source	Date	Location	Office	Industrial	Retail	Remarks
for 2014	2013		6.50%	-	-	CBD Office – Class B
			6.00%	-	-	Suburban Office – Class A
			7.50%	-	-	Suburban Office – Class B
			-	5.25%	-	Industrial – Class A
			-	N/A	-	Industrial – Class B
			-	7.25%	-	Flex Industrial – Class A
			-	N/A	-	Flex Industrial – Class B
			-	-	5.25%	Reg. Mall – Class A
			-	-	N/A	Reg. Mall – Class B
			-	-	6.00%	Community Retail – Class A
			-	-	6.50%	Community Retail – Class B
			-	-	6.25%	Neighborhood Retail – Class A
			-	-	6.72%	Neighborhood Retail – Class B
RERC-CCIM: Investment Trends Quarterly	4Q 2013	West Region	8.00%	-	-	Office CBD
			7.50%	-	-	Office Suburban
			-	7.30%	-	Industrial Warehouse
			-	7.30%	-	Flex
			-	-	7.20%	Retail
Colliers Office Highlights	Q4 2013	Seattle/PS	8.00%	-	-	CBD Office
			8.00%	-	-	Suburban Office
Costar	Yr. End 2013	King County	5.11%	-	-	SP=\$1mil. - \$5mil.; Cap. Rate = 1%-10%
			6.14%	-	-	SP=\$5mil. +; Cap. Rate = 1%-10%
			-	6.02%	-	SP=\$1mil. - \$5mil.; Cap. Rate = 1%-10%
			-	6.60%	-	SP=\$5mil. +; Cap. Rate = 1%-10%
			-	-	6.71%	SP=\$1mil. - \$5mil.; Cap. Rate = 1%-10%
			-	-	6.75%	SP=\$5mil. +; Cap. Rate = 1%-10%
The Boulder Net Lease Report	4Q 2013	Pacific Region	-	-	6.63%	Big Box “Overall”
Chainlinks Realty Advisors	Q4 2013	Pacific Region	-	-	6.60%	Shopping Centers All Types
			-	-	6.60%	Shopping Center (Neigh. & Comm. Cntrs.)
			-	-	6.00%	Drug Store
			-	-	5.70%	Quick Service Rest.
			-	-	6.00%	Jr. Big Box - (20,000/SF – 39,999/SF)
			-	-	7.30%	Mid. Big Box - (40,000/SF – 79,999/SF)
			-	-	7.20%	Mega Big Box - (80,000/SF +)

NATIONAL CAP RATES

Source	Date	Location	Office	Industrial	Retail	Remarks
ACLI	Yr. End 2013	National	6.26%	7.10%	6.65%	Overall
			7.28%	7.94%	7.28%	Sq.Ft. - <50k
			7.09% - 7.23%	7.61% - 7.99%	7.09% - 7.23%	Sq.Ft. - 50k-200k
			6.10%	6.73%	6.20%	Sq.Ft. - 200K+
PWC / Korpaz	4Q 2013	National	6.45%	-	-	CBD Office - (4.00% - 9.00%)
			6.98%	-	-	Sub. Office - (5.00% - 9.50%)
			7.71%	-	-	Medical Office - (5.50% - 11.00%)
			-	7.83%	-	Flex/R&D - (6.25% - 10.00%)
			-	6.22%	-	Warehouse - (5.00 - 7.75%)
			-	-	6.56%	A+ = 5.46%; A = 5.92%; B+ = 6.71%
			-	-	6.67%	Power Center - (5.50% - 8.00%)
			-	-	6.98%	Neigh. Strip Ctrs. - (5.00% - 10.00%)
IRR: Viewpoint for 2014	Yr. End 2013	Seattle	7.37%	-	-	<u>Institutional Grade Properties”</u>
			8.01%	-	-	CBD Office – Class A
			7.68%	-	-	CBD Office – Class B
			8.23%	-	-	Suburban Office – Class A
			-	-	-	Suburban Office – Class B
			-	7.50%	-	Industrial – Class A
			-	8.09%	-	Industrial – Class B
			-	8.01%	-	Flex Industrial – Class A
			-	8.53%	-	Flex Industrial – Class B
			-	-	7.01%	Reg. Mall – Class A
			-	-	N/A	Reg. Mall – Class B
			-	-	7.26%	Community Retail – Class A
			-	-	7.72%	Community Retail – Class B
			-	-	7.41%	Neighborhood Retail – Class A
			-	-	7.93%	Neighborhood Retail – Class B

SEATTLE / PACIFIC NW CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
RERC-CCIM: Investment Trends Quarterly	4Q 2013	National	7.70% 8.00% - - -	- - 7.80% 7.90% -	- - - - 7.50%	Office CBD Office Suburban Industrial Warehouse Flex Retail
Colliers International Office/Industrial Highlights	Q4 2013	National	7.27% 7.81% - - -	- - 7.50% 6.10% 7.22%	- - - - -	CBD Office Suburban Office\ U.S. Total Seattle/Puget Sound West Region
IAAO Webinar Cap. Rate Report	Yr End 2013	National	- 7.20% - - - - - - -	- - - - - - - -	- - - 7.40% 7.20% 7.40% 7.50% 7.20% 6.70% 6.40% 7.00%	<i>"Transactions over \$2.5mil"</i> <i>(Real Cap Anal)</i> Single Tenant Office Big Box Grocery/Supermarket Anchored Strip Malls Unanchored Strip Malls Power Center Drug Stores Malls Average – All Subcategories
Calkin: Net Lease Economic Report	Yr End 2013	National	- - - - -	- - - - -	6.70% 7.10% 6.60% 7.30% 7.45% 5.95%	Overall (Average) Drug Store Quick Service Rest. Restaurant Big Box Banks
The Boulder Group: Net Lease Market Report	4Q 2013	National	7.70% - - - - - -	8.00% - - - - - -	7.02% 7.10% 6.25% 7.50% 7.05% 7.18% 7.58% 6.63%	Overall (Average) Big Box "Overall" Big Box "Investment Grade" Big Box "Non-Investment Grade" Jr. Big Box - (20,000/SF – 39,999/SF) Mid. Big Box - (40,000/SF – 79,999/SF) Mega Big Box - (80,000/SF +) Overall (Average)
Cassidy/Turley: Single Tenant Net Lease Overview	3Q 2013	West Region National	- - - - -	7.60% - - - -	- 6.90% 6.90% 7.60% 7.90% 7.50%	Industrial Drug Store Quick Service Rest. Jr. Big Box - (20,000/SF – 39,999/SF) Mid. Big Box - (40,000/SF – 79,999/SF) Mega Big Box - (80,000/SF +)

The preceding table demonstrates ranges of capitalization rates and trends that are compiled with information that is collected on a national or broad regional scale. This information is reconciled with data specific to the real estate market in Area 10 to develop the income model. The range of capitalization rates in the income model for Area 10 reflects the variety of properties in this area.

Income Approach Calibration

Changes that were made for the 2014 parameters include a decrease in vacancy and collection loss rate for office properties and a decrease in this rate for ancillary uses such as storage garages that tend to be attached to another larger predominant use. Lease rates, operating expenses and capitalization rates remained mostly unchanged.

2013 YEAR END			
	OFFICE	RETAIL	INDUSTRIAL
VACANCY	↘(SLIGHT DECREASE)	↘(SLIGHT DECREASE)	↘(SLIGHT DECREASE)
RENTAL RATE	↔ (STABLE)	↔ (STABLE)	↔ (STABLE)
CAPITALIZATION RATE	↔ (STABLE)	↔ (STABLE)	↔ (STABLE)
IMPROVED PROPERTY VALUES	↗(SLIGHT INCREASE)	↗(SLIGHT INCREASE)	↗(SLIGHT INCREASE)
LAND VALUES	↗(SLIGHT INCREASE)	↗(SLIGHT INCREASE)	↗(SLIGHT INCREASE)

Rental rates for the most part remained stable or a slight increase. With the exception of larger office buildings, the majority of the economic rents used in the valuation model represent a NNN lease structure. A full service income model was utilized to value larger office and medical buildings over 10,000SF, and apartment units in mixed use buildings.

Income tables were developed for each of the nine neighborhoods that comprise Area 10. The tables pertain to the following property types: Retail, Office, Industrial Buildings, Medical and Dental Offices, Discount Stores, Storage Garage, Basement Finish, Restaurant, Storage Warehouse, Banks, Auto Repair Garages, and Living Units, in addition to an exclusion table indicating property uses not covered by an income table. Properties which contain differing section uses may have multiple tables that are applicable to the property as a whole. There are a total of 141 income tables used to calculate income-based value for Area 10. There are nine tables, one for each neighborhood, indicating excluded uses. All tables are included in this report.

The income tables were calibrated after setting economic rents, vacancy, expenses, and capitalization rates by using adjustments based on neighborhood, 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. For properties where sales and income and expense data was not available, the cost approach was utilized.

Income: Income parameters were derived from the market place through information obtained during sales verification, advertised rental listings, and actual rents collected from building owners via mailed surveys, discussions with actual tenants and building owners, as well as through published sources (i.e. OfficeSpace.Com, Commercial Brokers Association, Costar, Multiple Corporate Real Estate Websites), and opinions expressed by real estate professionals active in the market.

Vacancy: Vacancy rates used were derived mainly from published sources tempered by appraiser observation and knowledge of the market.

Expenses: Expense ratios were estimated based on industry standards, published sources, and appraiser observation and knowledge of the area's rental practices. Within our income valuation models, the assessor used triple net expenses for typical retail/mixed-use, office buildings under 10,000SF, and industrial type uses. For office/medical buildings over 10,000SF, the assessor used full service expenses within the valuation models.

Capitalization Rates: Data from recognized published sources helps to assist in developing capitalization rates, but primary influence is from the available market data. These publications tend to report data that is considered relevant to institutional-grade CBD and suburban real estate. Since

property taxes are considered to be an allowable operating expense, no effective tax rate is included in the following capitalization rate data.

Income Model

Rental rates, vacancy levels and operating expenses are derived by reconciling all of the information collected through the sales verification process, completed surveys, interviews with tenants, owners, and brokers and the appraiser's independent market research. Quality, effective age, condition, and location are variables considered in the application of the income model to the parcels in the population best suited to be valued via the income approach. Property types in Area 10 that are valued by the income approach include, but are not limited to, offices, retail stores, industrial buildings and mixed-use buildings.

Typical rental rates for office and medical office property types are valued per square foot of net rentable area, based on Triple Net 10,000SF and under, and Full Service for over 10,000SF. Typical rental rates for retail and mixed use property types are valued per square foot of net rentable area. Deductions for vacancy and collection loss were figured at a percent of Potential Gross Income, while typical expense rates are a percent of Effective Gross Income. Capitalization Rates applicable to the property type depend on factors such as effective age and quality/condition.

Industrial lease rates are typically quoted on a monthly price per square foot basis. For consistency, the table above has displayed rents on an annual price per square foot basis in line with the other property types.

The following tables summarize the income parameter ranges that have been deemed applicable, within the income tables, for use in the income valuation model for each neighborhood in Area 10. A property value determined by the income approach will typically use some combination of the following data. A discussion follows each neighborhood table summarizing value indications where there is a large enough population of properties affected. Some property types may not be present in a particular neighborhood or there are only a few properties of that type. Individual properties may also be valued by the income approach where parameters other than indicated in the tables are used, per appraiser judgment.

Area 10-10 Lake City Way Corridor and Maple Leaf				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$10.50 to \$26	10%	10%-32%	7.00% to 8.75%
Retail	\$11 to \$20	5%	7.5%	7.00% to 8.75%
Warehouse	\$5.40 to \$12.00	5%	7.5%	7.00% to 8.75%

Area 10-10 contains 433 commercial properties (excluding specialties). Application of these parameters for Area 10-10 resulted in a total range of value of \$63 per square foot to \$235 per square foot for all properties of the three major type valued by the income approach. Nearly all properties are of average quality.

Office properties show an effective age of 1960 to 2008, with the average at 1981. Values range from \$91 per square foot to \$235 per square foot, with an average of \$148 per square foot.

Retail properties show an effective age of 1969 to 2007, with the average at 1984. Values range from \$83 per square foot to \$230 per square foot, an average of \$145 per square foot.

Warehouse properties show an effective age of 1970 to 1993, with the average at 1982. Values range from \$63 per square foot to \$143 per square foot, with an average of \$111 per square foot.

Area 10-20 Northgate				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$14 to \$25	10%	10% to 32%	7.00% to 8.75%
Retail	\$16 to \$25	5%	7.5%	7.00% to 8.75%
Warehouse	\$6 to \$12.00	5%	7.5%	7.00% to 8.75%

Area 10-20 contains 100 commercial properties (excluding specialties). Application of these parameters for Area 10-20 resulted in a total range of value of \$95 per square foot to \$269 per square foot for all properties of the three major types valued by the income approach. Properties are typically of average or average-to-good quality.

Office properties show an effective age of 1969 to 2009, with the average at 1990. Values range from \$95 per square foot to \$248 per square foot, with an average of \$190 per square foot.

Retail properties show an effective age of 1969 to 2009, with the average at 1989. Values range from \$139 per square foot to \$269 per square foot, with an average of \$189 per square foot.

Only one warehouse property received a total value by the income approach. It is average quality with an effective age of 1985 and has been valued from \$128 per square foot.

Area 10-30 Northeast Seattle (Pinehurst - 15th Avenue NE Corridor)				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$10 to \$26	10%	10% to 32%	7.00% to 8.75%
Retail	\$11 to \$20	5%	7.5%	7.00% to 8.75%
Warehouse	\$5.40 to \$10.20	8%	7.5%	7.00% to 8.75%

Application of these parameters for Area 10-30 resulted in a total range of value of \$108 per square foot to \$364 per square foot for all properties of the three major types valued by the income approach. Area 10-30 contains 115 commercial properties (excluding specialties). Nearly all properties are of average quality.

Office properties show an effective age of 1975 to 2007, with the average at 1987. Values range from \$142 per square foot to \$267 per square foot, with an average of \$184 per square foot.

Retail properties show an effective age of 1970 to 2005, with the average at 1989. Values range from \$154 per square foot to \$364 per square foot, with an average of \$215 per square foot.

Warehouse properties show an effective age of 1969 to 1995, with the average at 1981. Values range from \$108 per square foot to \$132 per square foot, with an average of \$124 per square foot.

Area 10-40 East Shoreline (North City - 15th Avenue NE Corridor)				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$10 to \$26	10%	10% to 32%	7.00% to 8.75%
Retail	\$11 to \$20	5%	7.5%	7.00% to 8.75%
Warehouse	\$5.40 to \$11	5%	7.5%	7.00% to 8.75%

Application of these parameters for Area 10-40 resulted in a total range of value of \$82 per square foot to \$232 per square foot for all properties of the three major types valued by the income approach. Area 10-40 contains 115 commercial properties (excluding specialties). Nearly all properties are of average quality.

Office properties show an effective age of 1970 to 2005, with the average at 1985. Values range from \$88 per square foot to \$216 per square foot, with an average of \$154 per square foot.

Retail properties show an effective age of 1950 to 2007, with the average at 1985. Values range from \$82 per square foot to \$232 per square foot, with an average of \$153 per square foot.

Warehouse properties show an effective age of 1969 to 1990, with the average at 1985. Values range from \$87 per square foot to \$170 per square foot, with an average of \$134 per square foot.

Area 10-50 City of Lake Forest Park				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$12.50 to \$25	10%	10% to 32%	7.00% to 8.75%
Retail	\$12 to \$23	5%	7.5%	7.00% to 8.75%
Warehouse	\$3.75 to \$10.25	5%	7.5%	7.00% to 8.75%

Application of these parameters for Area 10-50 resulted in a total range of value of \$79 per square foot to \$216 per square foot for all properties of the three major types valued by the income approach. Nearly all properties are of average quality.

Area 10-50 is a primarily residential neighborhood, containing only 46 commercial properties (excluding specialties). As such, there are a small number of properties in the office and retail categories in Area 10-50 that are valued by the income approach. The entire population shows an effective age of 1962 to 2005, with the average at 1985. The average value is \$162 per square foot.

Area 10-60 Northeast Shoreline (Ballinger)				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$13.5 to \$25	10%	10% to 32%	7.00% to 8.75%
Retail	\$7 to \$25	5%	7.5%	7.00% to 8.75%
Warehouse	\$3.75 to \$10.25	5%	7.5%	7.00% to 8.75%

Application of these parameters for Area 10-60 resulted in a total range of value of \$117 per square foot to \$210 per square foot for all properties of the three major types valued by the income approach. Nearly all properties are of average quality.

Area 10-60 is a primarily residential neighborhood, only approximately 315 acres in area. There are only 37 commercial properties (excluding specialties), centered mostly along a stretch of Ballinger Way NE less than one mile in length. The majority of properties receiving a total assessed value by the income approach belong to the office category. The offices show an effective age of 1970 to 2003, with the average at 1993. The average value is \$168 per square foot.

Area 10-70 City of Kenmore				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$11 to \$25	10%	10% to 32%	7.00% to 8.75%
Retail	\$12 to \$23	5%	7.5%	7.00% to 8.75%
Warehouse	\$3.50 to \$11	5%	7.5%	7.00% to 8.75%

Area 10-70 contains 187 commercial properties (excluding specialties). Application of these parameters for Area 10-70 resulted in a total range of value of \$53 per square foot to \$308 per square foot for all properties of the three major types valued by the income approach. Nearly all properties are of average quality.

Office properties show an effective age of 1975 to 1996, with the average at 1985. Values range from \$124 per square foot to \$308 per square foot, with an average of \$178 per square foot.

Retail properties show an effective age of 1955 to 2013, with the average at 1985. Values range from \$68 per square foot to \$255 per square foot, with an average of \$170 per square foot.

Warehouse properties show an effective age of 1969 to 2000, with the average at 1985. Values range from \$53 per square foot to \$215 per square foot, with an average of \$112 per square foot.

Area 10-80 West Shoreline (Highway 99 Corridor)				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$10.50 to \$25	10%	10% to 32%	7.00% to 8.75%
Retail	\$7 to \$25	8%	7.5%	7.00% to 8.75%
Warehouse	\$4 to \$12	8%	7.5%	7.00% to 8.75%

Area 10-80 contains 258 commercial properties (excluding specialties). Application of these parameters for Area 10-80 resulted in a total range of value of \$78 per square foot to \$347 per square foot for all properties of the three major types valued by the income approach. The majority of properties are of average quality, with representative samplings of low-to-average and average-to-good.

Office properties show an effective age of 1969 to 2012, with the average at 1989. Values range from \$78 per square foot to \$347 per square foot, with an average of \$177 per square foot.

Retail properties show an effective age of 1969 to 2012, with the average at 1989. Values range from \$100 per square foot to \$255 per square foot, with an average of \$123 per square foot.

Warehouse properties show an effective age of 1980 to 2006, with the average at 1988. Values range from \$88 per square foot to \$215 per square foot, with an average of \$134 per square foot.

Area 10-90 West Shoreline (Richmond Beach)				
Property Type	Rent/SF Range	Vacancy Rate/ Collection Loss	Expense Rate- % of EGI	Capitalization Rate
Office/Medical Office	\$13.50 to \$25	10%	10% to 32%	7.00% to 8.75%
Retail	\$6.50 to \$23.50	5%	7.5%	7.00% to 8.75%
Warehouse	\$3.75 to \$10.25	5%	7.5%	7.00% to 8.75%

Application of these parameters for Area 10-90 resulted in a total range of value of \$93 per square foot to \$203 per square foot for all properties of the three major types valued by the income approach. Nearly all properties are of average quality.

Area 10-90 is a primarily residential neighborhood, containing only 27 commercial properties (excluding specialties). As such, there are a small number of properties in the office and retail categories in Area 10-90 that are valued by the income approach. There were no warehouse properties affected. The entire population shows an effective age of 1975 to 1999, with the average at 1987. The range of values is from \$93 per square foot to \$203 per square foot, with an average value at \$144 per square foot.

Reconciliation

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

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

Model Validation

Total Value Conclusions, Recommendations, and Validation

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

In this valuation model, the income approach is used to value the majority of the income producing properties that aren't obsolesced (land value is greater than value by income method) because there are an insufficient number and a variety of sales to value the different sectors by the market approach. The income approach also insures greater uniformity and equalization of values.

For this revalue period, land values been increased in most areas. For the most part, income parameters have remained relatively stable over the recent term with some changes in vacancy rates and expense percentages. The total assessed value for the 2013 assessment year for Area 10 was \$1,649,969,490 and the total recommended assessed value for the 2014 assessment year is \$1,702,516,000. The application of these recommended values for the 2014 assessment year results in a total increase from 2013 of +3.18%.

	2013 Total Value	2014 Total Value	\$ Increase/Decrease	% Change
Change in Total Assessed Value	<i>\$1,649,969,490</i>	<i>\$1,702,516,000</i>	<i>+\$52,546,510</i>	<i>+3.18%</i>

Comparison of the 2013 Ratio Study Analysis with the 2014 Ratio Study Analysis indicates the weighted mean ratio, which is a statistical measure of assessment level, went from 90.2% to 94.8%. Application of the total value model described above results in improved equity between individual properties as shown by the improvement in the Coefficient of Dispersion (COD) from 14.02% to 7.45% and the Coefficient of Variation (COV) from 20.38% to 9.25% which reflects a marked improvement from previous values. The Price-related Differential (PRD) remained at 1.00%. The 2014 Ratio Analysis charts are included in this report.

The Coefficient of Dispersion (COD) and the Coefficient of Variation (COV) in the three year ratio study presented in this report indicate an improvement in uniformity. Therefore, it is recommended that the assessed values be posted for the 2014 assessment year.

Client and Intended Use of the Appraisal:

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

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

Definition and date of value estimate:

Market Value

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

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

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. [1961 c 15 §84.36.005]

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. [1989 c 246 § 4]

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 definition of fee simple estate as taken from The Third Edition of The Dictionary of Real Estate Appraisal, published by the Appraisal Institute. "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

Assumptions and Limiting Conditions:

1. *No opinion as to title is rendered. Data on ownership and legal description were obtained from public records. Title is assumed to be marketable and free and clear of all liens and encumbrances, easements and restrictions unless shown on maps or property record files.*

The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.

- 2. No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area were taken from sources considered reliable, and no encroachment of real property improvements is assumed to exist.*
- 3. No responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes, can be assumed without provision of specific professional or governmental inspections.*
- 4. Rental areas herein discussed have been calculated in accord with generally accepted industry standards.*
- 5. The projections included in this report are utilized to assist in the valuation process and are based on current market conditions and anticipated short term supply demand factors. Therefore, the projections are subject to changes in future conditions that cannot be accurately predicted by the appraiser and could affect the future income or value projections.*
- 6. The property is assumed uncontaminated unless the owner comes forward to the Assessor and provides other information.*
- 7. The appraiser is not qualified to detect the existence of potentially hazardous material which may or may not be present on or near the property. The existence of such substances may have an effect on the value of the property. No consideration has been given in this analysis to any potential diminution in value should such hazardous materials be found (unless specifically noted). We urge the taxpayer to retain an expert in the field and submit data affecting value to the assessor.*
- 8. No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, although such matters may be discussed in the report.*
- 9. Maps, plats and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose.*
- 10. The appraisal is the valuation of the fee simple interest. Unless shown on the Assessor's parcel maps, easements adversely affecting property value were not considered.*
- 11. An attempt to segregate personal property from the real estate in this appraisal has been made.*
- 12. Items which are considered to be "typical finish" and generally included in a real property transfer, but are legally considered leasehold improvements are included in the valuation unless otherwise noted.*
- 13. The movable equipment and/or fixtures have not been appraised as part of the real estate. The identifiable permanently fixed equipment has been appraised in accordance with RCW 84.04.090 and WAC 458-12-010.*
- 14. I have considered the effect of value of those anticipated public and private improvements of which I have common knowledge. I can make no special effort to contact the various jurisdictions to determine the extent of their public improvements.*
- 15. Exterior inspections were made of all properties in the physical inspection areas (outlined in the body of the report) however; due to lack of access and time few received interior inspections.*

Scope of Work Performed:

Research and analyses performed are identified in the body of the revaluation report. The assessor has no access to title reports and other documents. Because of legal limitations we did not research such items as easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations and special assessments. Disclosure of interior home features and, actual income and expenses by property owners is not a requirement by law therefore attempts to obtain and analyze

this information are not always successful. The mass appraisal performed must be completed in the time limits indicated in the Revaluation Plan and as budgeted. The scope of work performed and disclosure of research and analyses not performed are identified throughout the body of the report.

Area 010 - Shorelinekc
2014 Assessment Year

Quadrant/Crew:	Appr date :	Date:	Sales Dates:	
North Crew	1/1/2013	4/22/2014	1/1/11 - 12/31/2013	
Area	Appr ID:	Prop Type:	Trend used?: Y / N	
10	RWEL	Improvement	N	
SAMPLE STATISTICS				
Sample size (n)	38			
Mean Assessed Value	971,300			
Mean Sales Price	1,075,300			
Standard Deviation AV	1,074,227			
Standard Deviation SP	1,170,486			
ASSESSMENT LEVEL				
Arithmetic mean ratio	0.918			
Median Ratio	0.941			
Weighted Mean Ratio	0.903			
UNIFORMITY				
Lowest ratio	0.5291			
Highest ratio:	1.4865			
Coefficient of Dispersion	13.98%			
Standard Deviation	0.1880			
Coefficient of Variation	20.48%			
Price-related Differential	1.02			
RELIABILITY				
95% Confidence: Median				
Lower limit	0.856			
Upper limit	0.986			
95% Confidence: Mean				
Lower limit	0.858			
Upper limit	0.978			
SAMPLE SIZE EVALUATION				
N (population size)	1055			
B (acceptable error - in decimal)	0.05			
S (estimated from this sample)	0.1880			
Recommended minimum:	54			
Actual sample size:	38			
Conclusion:	Uh-oh			
NORMALITY				
Binomial Test				
# ratios below mean:	16			
# ratios above mean:	22			
z:	0.811107106			
Conclusion:	Normal*			
*i.e., no evidence of non-normality				

Ratio Frequency

Ratio Bin	Frequency
0.5-0.6	3
0.6-0.7	1
0.7-0.8	4
0.8-0.9	8
0.9-1.0	12
1.0-1.1	7
1.1-1.2	1
1.2-1.3	1
1.3-1.4	1

Ratio

These figures reflect measurements before posting new values.

Area 010 - Shorelinecity
2014 Assessment Year

<i>Parcel Number</i>	<i>Assessed Value</i>	<i>Sale Price</i>	<i>Sale Date</i>	<i>Ratio</i>	<i>Diff: Median</i>
011410-0895	1,362,600	1,360,000	10/8/2012	1.0019	0.0607
022603-9153	515,800	899,000	7/23/2013	0.5737	0.3675
032604-9016	600,000	650,000	5/19/2011	0.9231	0.0181
082000-0124	1,771,300	2,212,500	12/26/2013	0.8006	0.1406
145360-0263	691,200	465,000	11/27/2013	1.4865	0.5452
145360-2380	1,488,500	1,700,000	6/4/2013	0.8756	0.0656
164350-0080	1,126,700	1,112,500	12/20/2012	1.0128	0.0715
243490-0060	4,570,300	4,500,000	8/1/2012	1.0156	0.0744
246440-0145	288,200	293,000	7/17/2012	0.9836	0.0424
282604-9097	465,500	355,000	10/30/2013	1.3113	0.3701
282710-0010	549,000	775,000	6/28/2013	0.7084	0.2328
282710-0061	280,400	530,000	12/10/2013	0.5291	0.4122
282710-0073	531,800	650,000	8/14/2013	0.8182	0.1231
297980-0230	497,000	560,099	4/24/2013	0.8873	0.0539
329890-0010	648,000	687,500	3/8/2011	0.9425	0.0013
342604-9285	235,500	275,000	5/28/2013	0.8564	0.0849
397170-1501	332,200	325,000	8/1/2012	1.0222	0.0809
402410-0181	812,300	816,000	6/26/2012	0.9955	0.0543
402770-0895	776,000	900,000	4/17/2013	0.8622	0.0790
416410-0065	968,100	991,000	10/5/2012	0.9769	0.0357
416410-0225	4,524,000	4,500,000	8/14/2011	1.0053	0.0641
510040-0200	789,700	1,000,000	6/10/2013	0.7897	0.1515
510040-3432	346,100	575,000	3/27/2013	0.6019	0.3393
510140-2710	316,600	535,000	2/13/2013	0.5918	0.3494
510140-4524	450,000	450,000	6/10/2013	1.0000	0.0588
510140-5905	690,000	700,000	7/31/2012	0.9857	0.0445
511800-0020	163,505	170,000	5/8/2013	0.9618	0.0206
616390-0780	565,300	600,000	6/27/2012	0.9422	0.0010
617330-0010	266,875	285,000	12/17/2013	0.9364	0.0048
617330-0130	465,430	495,000	2/29/2012	0.9403	0.0010
727610-0245	1,721,900	2,200,000	1/7/2013	0.7827	0.1585
728390-0440	870,100	905,000	4/28/2011	0.9614	0.0202
773850-0005	571,600	680,000	12/24/2013	0.8406	0.1006
882290-0250	666,700	610,000	8/22/2012	1.0930	0.1517
882290-0750	809,200	660,000	10/1/2013	1.2261	0.2848
930430-0186	619,200	610,000	5/23/2012	1.0151	0.0739
930430-0186	619,200	729,000	6/14/2013	0.8494	0.0918
931030-0075	3,942,200	5,100,000	6/6/2013	0.7730	0.1682

Area 010
Shoreline/Lake Forest Park/Northgate/Kenmore
2014 Assessment Year

Quadrant/Crew:	Appr date :	Date:	Sales Dates:
North Crew	1/1/2014	4/22/2014	1/1/11 -12/31/13
Area	Appr ID:	Prop Type:	Trend used?: Y / N
10	RWEL	Improvement	N
SAMPLE STATISTICS			
Sample size (n)	38		
Mean Assessed Value	1,019,900		
Mean Sales Price	1,075,300		
Standard Deviation AV	1,103,066		
Standard Deviation SP	1,170,486		
ASSESSMENT LEVEL			
Arithmetic mean ratio	0.965		
Median Ratio	0.980		
Weighted Mean Ratio	0.948		
UNIFORMITY			
Lowest ratio	0.7336		
Highest ratio:	1.1116		
Coefficient of Dispersion	7.39%		
Standard Deviation	0.0894		
Coefficient of Variation	9.27%		
Price-related Differential	1.02		
RELIABILITY			
95% Confidence: Median			
Lower limit	0.931		
Upper limit	1.012		
95% Confidence: Mean			
Lower limit	0.936		
Upper limit	0.993		
SAMPLE SIZE EVALUATION			
N (population size)	1055		
B (acceptable error - in decimal)	0.05		
S (estimated from this sample)	0.0894		
Recommended minimum:	13		
Actual sample size:	38		
Conclusion:	OK		
NORMALITY			
Binomial Test			
# ratios below mean:	18		
# ratios above mean:	20		
z:	0.162221421		
Conclusion:	Normal*		
*i.e., no evidence of non-normality			

Ratio Frequency

Ratio

These figures reflect measurements after posting new values.

Area 010
Shoreline/Lake Forest Park/Northgate/Kenmore
2014 Assessment Year

Parcel Number	Assessed Value	Sale Price	Sale Date	Ratio	Diff: Median
011410-0895	1,362,600	1,360,000	10/8/2012	1.0019	0.0216
022603-9153	792,000	899,000	7/23/2013	0.8810	0.0994
032604-9016	624,000	650,000	5/19/2011	0.9600	0.0203
082000-0124	1,811,600	2,212,500	12/26/2013	0.8188	0.1615
145360-0263	457,200	465,000	11/27/2013	0.9832	0.0029
145360-2380	1,582,700	1,700,000	6/4/2013	0.9310	0.0493
164350-0080	1,235,200	1,112,500	12/20/2012	1.1103	0.1300
243490-0060	4,570,300	4,500,000	8/1/2012	1.0156	0.0353
246440-0145	302,300	293,000	7/17/2012	1.0317	0.0514
282604-9097	380,000	355,000	10/30/2013	1.0704	0.0901
282710-0010	690,700	775,000	6/28/2013	0.8912	0.0891
282710-0061	503,300	530,000	12/10/2013	0.9496	0.0307
282710-0073	584,000	650,000	8/14/2013	0.8985	0.0819
297980-0230	534,400	560,099	4/24/2013	0.9541	0.0262
329890-0010	672,000	687,500	3/8/2011	0.9775	0.0029
342604-9285	272,500	275,000	5/28/2013	0.9909	0.0106
397170-1501	344,300	325,000	8/1/2012	1.0594	0.0790
402410-0181	859,400	816,000	6/26/2012	1.0532	0.0728
402770-0895	822,800	900,000	4/17/2013	0.9142	0.0661
416410-0065	999,700	991,000	10/5/2012	1.0088	0.0284
416410-0225	4,602,000	4,500,000	8/14/2011	1.0227	0.0423
510040-0200	858,700	1,000,000	6/10/2013	0.8587	0.1216
510040-3432	421,800	575,000	3/27/2013	0.7336	0.2468
510140-2710	456,900	535,000	2/13/2013	0.8540	0.1263
510140-4524	480,000	450,000	6/10/2013	1.0667	0.0863
510140-5905	705,700	700,000	7/31/2012	1.0081	0.0278
511800-0020	169,700	170,000	5/8/2013	0.9982	0.0179
616390-0780	625,000	600,000	6/27/2012	1.0417	0.0613
617330-0010	271,200	285,000	12/17/2013	0.9516	0.0288
617330-0130	473,000	495,000	2/29/2012	0.9556	0.0248
727610-0245	1,793,800	2,200,000	1/7/2013	0.8154	0.1650
728390-0440	916,100	905,000	4/28/2011	1.0123	0.0319
773850-0005	584,600	680,000	12/24/2013	0.8597	0.1206
882290-0250	678,100	610,000	8/22/2012	1.1116	0.1313
882290-0750	687,000	660,000	10/1/2013	1.0409	0.0606
930430-0186	655,700	610,000	5/23/2012	1.0749	0.0946
930430-0186	655,700	729,000	6/14/2013	0.8995	0.0809
931030-0075	4,321,800	5,100,000	6/6/2013	0.8474	0.1329

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
010	010	145360	0263	2,880	2643292	\$465,000	11/27/13	\$161.46	KATE'S PETS DAY CARE	C1-40	1	Y	
010	010	145360	2380	10,000	2609774	\$1,700,000	06/04/13	\$170.00	JUDSON BAPTIST CHURCH	LR2	1	Y	
010	010	246440	0145	1,406	2554333	\$293,000	07/17/12	\$208.39	GLEN HUNT AND ASSO	SF 5000	1	Y	
010	010	282604	9097	4,232	2639225	\$355,000	10/30/13	\$83.88	MARTIAL ARTS STUDIO / VOICE LE	C1-40	1	Y	
010	010	297980	0230	2,840	2602932	\$560,099	04/24/13	\$197.22	Maple Leaf Professional Center	C1-40	1	Y	
010	010	297980	0385	3,590	2552403	\$675,000	07/03/12	\$188.02	MEDICAL OFFICE (SFR)	LR2 RC	2	34	Use-change after sale; not in ratio
010	010	342604	9285	2,243	2608380	\$275,000	05/28/13	\$122.60	95TH BARBER SHOP	SF 7200	1	Y	
010	010	510040	0200	4,944	2612038	\$1,000,000	06/10/13	\$202.27	WALT'S AUTO RENOVATING	NC2-40	1	Y	
010	010	510040	1099	1,836	2562673	\$690,000	08/31/12	\$375.82	WESTERN PROPERTY MGMT	NC2-40	1	34	Use-change after sale; not in ratio
010	010	510040	3432	2,400	2597096	\$575,000	03/27/13	\$239.58	CHUCK'S AUTO REPAIR	LR2 RC	1	Y	
010	010	510140	2710	3,900	2589344	\$535,000	02/13/13	\$137.18	MODERN PRODUCTS CO	SF 5000	1	Y	
010	010	510140	4524	3,000	2612018	\$450,000	06/10/13	\$150.00	RETAIL/OFFICE	LR2 RC	1	Y	
010	010	510140	5310	9,226	2525809	\$1,200,000	01/06/12	\$130.07	ITALIAN SPAGHETTI HOUSE & PIZ	C1-40	1	26	Imp changed after sale; not in ratio
010	010	510140	5905	3,960	2556952	\$700,000	07/31/12	\$176.77	Presently Vacant	C1-40	1	Y	
010	010	511800	0020	617	2605112	\$170,000	05/08/13	\$275.53	MAPLELEAF VIEW CONDOMINIUM	NC2-40	1	Y	
010	010	882290	0250	4,404	2561819	\$610,000	08/22/12	\$138.51	LAKE CITY MED-DENTAL BLDG	NC3P-65	1	Y	
010	010	882290	0750	5,212	2634942	\$660,000	10/01/13	\$126.63	Former RIMROCK STEAKHOUSE	NC3P-65	1	Y	
010	020	243490	0060	30,610	2561369	\$4,500,000	08/01/12	\$147.01	SEATTLE ATHLETIC CLUB	NC3-65	1	Y	
010	020	617330	0010	875	2647220	\$285,000	12/17/13	\$325.71	NORTHGATE DENTAL BUILDING C	LR3	1	Y	
010	020	617330	0130	1,526	2532418	\$495,000	02/29/12	\$324.38	NORTHGATE DENTAL BUILDING C	LR3	2	Y	
010	030	082000	0124	12,745	2647927	\$2,212,500	12/26/13	\$173.60	HOME REALTY INC	LR3 RC	1	Y	
010	040	162604	9067	2,800	2652097	\$375,500	01/30/14	\$134.11	RETAIL - MARTIAL ARTS SUPPLY S	NB	1	Y	
010	040	162604	9067	2,800	2537473	\$294,700	04/03/12	\$105.25	former SUNSHINE CAFE	NB	1	34	Use-change after sale; not in ratio
010	040	402410	0181	10,539	2552972	\$816,000	06/26/12	\$77.43	retail	NCBD	1	Y	
010	040	616390	0780	3,260	2551389	\$600,000	06/27/12	\$184.05	A-B-C COMMUNICATIONS	NCBD	2	Y	
010	040	663290	0050	6,930	2573893	\$1,600,000	11/13/12	\$230.88	SEATTLE POSTAL EMPLOYEES	CB	1	34	Use-change after sale; not in ratio
010	050	032604	9016	2,400	2492460	\$650,000	05/19/11	\$270.83	LAKE FOREST PARK MARKET	NB	1	Y	
010	050	397170	1501	6,040	2557166	\$325,000	08/01/12	\$53.81	RETAIL STORE	NB	1	Y	
010	050	773850	0005	3,290	2647261	\$680,000	12/24/13	\$206.69	DEPAPE ARCHITECTS	NB	1	Y	
010	070	011410	0895	5,307	2572129	\$1,360,000	10/08/12	\$256.27	MOBILE HOME PARK 27 PADS + D	R24	1	Y	
010	070	402770	0895	6,125	2600177	\$900,000	04/17/13	\$146.94	BETHEL CHURCH	R6	1	Y	
010	070	416410	0065	11,200	2568606	\$991,000	10/05/12	\$88.48	SKI MASTERS	RB	1	Y	
010	070	416410	0225	2,276	2505485	\$4,500,000	08/14/11	#####	INGLEWOOD EAST MOBILE HOME	R12	1	Y	
010	070	618170	0456	20,329	2598087	\$1,250,000	04/03/13	\$61.49	QFC GROCERY & RETAIL (KENMOI	DC	1	26	Imp changed after sale; not in ratio
010	080	164350	0080	7,350	2581901	\$1,112,500	12/20/12	\$151.36	HIGHLAND PARK BUILDING	MUZ	1	Y	
010	080	282710	0010	2,460	2614896	\$775,000	06/28/13	\$315.04	SEATTLE SKI & SNOWBOARD	MB	1	Y	
010	080	282710	0061	2,250	2646253	\$530,000	12/10/13	\$235.56	WAREHOUSE/OFFICE	MB	1	Y	
010	080	282710	0073	1,884	2624629	\$650,000	08/14/13	\$345.01	OFFICE	MB	1	Y	
010	080	329890	0010	2,400	2482289	\$687,500	03/08/11	\$286.46	HIGHLAND PARK PLACE CONDOM	CZ	1	Y	
010	080	727610	0245	10,490	2584109	\$2,200,000	01/07/13	\$209.72	Chase Bank	TC-3	1	Y	
010	080	728390	0440	4,061	2491167	\$905,000	04/28/11	\$222.85	DENTAL CLINIC	O	1	Y	
010	080	930430	0186	3,672	2545503	\$610,000	05/23/12	\$166.12	NORTHWEST SECURITY	O	1	Y	
010	080	930430	0186	3,672	2611639	\$729,000	06/14/13	\$198.53	NORTHWEST SECURITY	NB	1	Y	
010	080	931030	0075	24,599	2610004	\$5,100,000	06/06/13	\$207.33	FLEISCHMAN RETAIL CENTER	MB	1	Y	
010	090	022603	9153	2,640	2620169	\$899,000	07/23/13	\$340.53	LAW OFFICES	NB	1	Y	

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
010	010	145360	0482	23,520	2642578	\$1,200,000	11/18/13	\$51.02	VACANT	C1-65	2	Y	
010	010	145360	0664	9,896	2643529	\$600,000	11/22/13	\$60.63	sfr	LR2	1	Y	
010	010	145360	0910	7,750	2540867	\$330,000	04/26/12	\$42.58	FOUR PLEX	NC3-65	1	Y	
010	010	145360	0911	7,425	2540884	\$335,000	04/26/12	\$45.12	FOUR PLEX	NC3-65	1	Y	
010	010	256830	0320	21,000	2636517	\$535,000	10/16/13	\$25.48	RETAIL STORES	C1-40	1	Y	
010	010	288770	1885	2,835	2484204	\$238,000	03/24/11	\$83.95	Commercial Retail Building	NC2-40	3	Y	
010	010	510040	2506	14,789	2538285	\$1,200,000	04/10/12	\$81.14	RES & Vacant Lot	NC2-40	1	Y	
010	010	766370	0930	13,270	2578561	\$525,000	12/07/12	\$39.56	WAREHOUSE	C1-65	1	Y	
010	020	292604	9535	30,898	2585658	\$1,300,000	01/01/13	\$42.07	LOT	NC3-40	1	Y	
010	020	322604	9130	37,713	2579735	\$2,900,000	12/03/12	\$76.90	MARIE CALLENDER'S	NC3-65	1	Y	
010	040	162604	9054	24,539	2622108	\$350,000	07/29/13	\$14.26	SEATTLE CONGREGATIONAL CHURCH	R6	1	Y	
010	040	343250	0060	136,980	2652749	\$3,300,000	02/04/14	\$24.09	NORTHWEST CHURCH	R6	12	Y	
010	050	162604	9101	67,741	2573233	\$2,900,000	11/07/12	\$42.81	NORTHWEST KIDNEY CENTER BLOC	C.C.	1	Y	
010	060	397170	0005	13,650	2612924	\$250,000	06/07/13	\$18.32	LANDSCAPE SVCS (ACCESS 14 AV N	CB	1	Y	
010	060	741770	0552	32,200	2634776	\$699,000	10/02/13	\$21.71	VACANT	CB	1	Y	
010	070	011410	0610	20,366	2481424	\$475,000	03/04/11	\$23.32	Vacant Lot	DC	1	Y	
010	070	011410	0673	23,172	2580620	\$609,000	12/17/12	\$26.28	BARBER SHOP WITH APARTMENTS	DC	1	Y	
010	070	011410	0961	24,000	2591819	\$300,000	02/27/13	\$12.50	LIBRARY	R18	1	Y	
010	070	794630	0035	17,250	2572188	\$729,000	10/30/12	\$42.26	Lakeview Yoga (Assoc. Pkng. on minor	RB	4	Y	
010	070	794630	0195	22,222	2619497	\$775,000	07/17/13	\$34.88	VACANT LAND	DC	2	Y	
010	080	072604	9061	47,928	2544022	\$1,900,000	05/11/12	\$39.64	Former HONG KONG BUFFET	MUZ	1	Y	
010	080	072604	9070	50,862	2612329	\$2,600,000	06/13/13	\$51.12	RUSKIN FISHER BUILDING	TC-3	1	Y	
010	080	072604	9079	27,378	2592402	\$1,040,364	03/05/13	\$38.00	DWELLING UNITS	TC-1	1	Y	
010	080	182604	9081	86,112	2574937	\$2,152,000	11/15/12	\$24.99	VACANT DAIRY QUEEN	MUZ	4	Y	
010	080	182604	9098	50,530	2546173	\$1,724,000	05/23/12	\$34.12	Former OVERLAND TRAILER COURT	MUZ	1	Y	
010	080	329370	0085	59,016	2508374	\$2,150,000	08/31/11	\$36.43	7-11 RESTAURANT & LINE RETAIL	MUZ	1	Y	

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
010	010	145360	1001	17,030	2521392	\$445,356	12/02/11	\$26.15	AQUA DIVE HEALTH SPA	NC3-65	1	63	Sale price updated by sales id group
010	010	145360	1139	2,968	2493194	\$495,000	05/19/11	\$166.78	DENTAL OFFICE	NC2P-40	1	51	Related party, friend, or neighbor
010	010	145360	1180	820	2658817	\$450,000	03/24/14	\$548.78	SFR HOUSE STRUCTURE	C1-65	1		
010	010	288770	0630	0	2569999	\$915,000	10/17/12	\$0.00	MAPLE LEAF PET CORNER & 1 BR	C1-40	3	44	Tenant
010	010	342604	9118	16,478	2528460	\$1,300,000	01/27/12	\$78.89	THE ANCHOR CHURCH	SF 7200	1	33	Lease or lease-hold
010	010	510040	0245	17,130	2592225	\$2,367,397	02/27/13	\$138.20	SEATTLE/KING COUNTY CAMP FIF	LR2	1	63	Sale price updated by sales id group
010	010	510040	3435	398	2660068	\$440,000	03/17/14	#####	DR DOUGLAS LEWIS	LR2 RC	1		
010	010	510140	2200	4,790	2586227	\$1,700,000	01/24/13	\$354.91	PANDORA'S ADULT CABARET	C1-65	1		
010	010	510140	2200	4,790	2580957	\$357,906	11/12/12	\$74.72	PANDORA'S ADULT CABARET	C1-65	1	52	Statement to dor
010	010	688480	0290	6,800	2578176	\$1,450,000	12/05/12	\$213.24	REAL PROPERTY ASSOCIATES	C1-40	1	15	No market exposure
010	010	882290	0150	5,757	2628078	\$550,000	08/27/13	\$95.54	BROOKSIDE PROFESSIONAL CEN	LR3	1	N	
010	010	890250	0391	2,160	2644749	\$350,000	12/05/13	\$162.04	FIRST CHOICE MARKETING (OFFI	C1-30	1		
010	020	271110	0005	3,596	2657887	\$890,000	02/28/14	\$247.50	WAGNER ESCROW & LAW OFFICE	NC3-40	1		
010	020	292604	9455	7,056	2568356	\$270,018	10/04/12	\$38.27	MEN'S WEARHOUSE	NC3-65	1	22	Partial interest (1/3, 1/2, etc.)
010	020	802420	0690	7,844	2548140	\$1,100,000	05/21/12	\$140.23	OFFICE OR LINE RETAIL	LR2 RC	1	44	Tenant
010	030	113300	0190	4,470	2547545	\$1,150,000	05/30/12	\$257.27	CAR WASH	NC3-40	1	44	Tenant
010	040	288170	0310	2,876	2500972	\$735,000	07/14/11	\$255.56	NORTH SEATTLE CHURCH OF GO	R6	1	17	Non-profit organization
010	040	663290	0151	7,845	2503986	\$1,360,000	08/02/11	\$173.36	BLUE STAR OFFICE BUILDING	NB	1	13	Bankruptcy - receiver or trustee
010	040	730130	0185	23,900	2647468	\$2,965,730	12/17/13	\$124.09	Veolia Transportation	CB	1		
010	050	397170	1605	3,364	2535032	\$250,000	03/22/12	\$74.32	ARCTIC MINI MART	RM 2400	1	60	Short sale
010	050	766370	0215	39,114	2650635	\$8,665,337	01/21/14	\$221.54	LAKE CITY ELKS LODGE #1800	SG-T	6		
010	060	741770	0590	13,236	2507239	\$1,025,000	08/23/11	\$77.44	OFFICE BUILDING	CB	2	61	Financial institution resale
010	070	011410	0470	4,220	2587469	\$850,000	01/09/13	\$201.42	FENCE WORKS	DR	3	N	
010	070	011410	0740	13,672	2571763	\$96,000	10/22/12	\$7.02	BOTHELL WORSHIP CENTER	R1	1	17	Non-profit organization
010	070	112604	9009	42,750	2639585	\$2,500,000	11/05/13	\$58.48	DAVIDSON'S UPLAKE MARINA	RB	1	51	Related party, friend, or neighbor
010	070	112604	9020	0	2638293	#####	09/16/13	\$0.00	KENMORE PRE-MIX	RB	1	52	Statement to dor
010	070	112604	9020	0	2506093	#####	08/18/11	\$0.00	KENMORE PRE-MIX	RB	1	11	Corporate affiliates
010	070	416410	0070	1,914	2560228	\$968,500	08/21/12	\$506.01	Food Supplement and Vitamin Store	RB	1	44	Tenant
010	070	794630	0110	1,482	2549567	\$400,000	06/14/12	\$269.91	CARRAGE CASE COLLISION CENT	DC	1	44	Tenant
010	070	794630	0135	1,872	2547717	\$138,000	06/06/12	\$73.72	Tully's Coffee	DC	2	59	Bulk portfolio sale
010	070	794630	0155	4,167	2576525	\$438,000	11/27/12	\$105.11	DENTAL CLINIC	DC	1	22	Partial interest (1/3, 1/2, etc.)
010	080	031810	0035	3,360	2582891	\$310,000	12/31/12	\$92.26	mini lube	TC-3	1	61	Financial institution resale
010	080	182604	9076	729	2523319	\$68,333	12/13/11	\$93.74	SMALL OFFICE	NB	1	51	Related party, friend, or neighbor
010	080	222730	0025	2,820	2539743	\$1,043,200	03/27/12	\$369.93	SERVICE GARAGE	MUZ	2	24	Easement or right-of-way
010	080	222790	0101	7,953	2529598	\$135,150	01/31/12	\$16.99	BUCKY'S MUFFLER	MUZ	1	63	Sale price updated by sales id group
010	080	288170	0340	18,400	2538491	\$3,000,000	04/13/12	\$163.04	SHORLINE CHRISTIAN CHURCH	R18	1	17	Non-profit organization
010	080	329890	0040	7,800	2660493	\$315,000	03/14/14	\$40.38	HIGHLAND PARK PLACE CONDOM	CZ	1		
010	080	525430	0025	8,139	2655486	\$1,530,000	02/21/14	\$187.98	HONEST AUTO SERVICE	MB	1		
010	080	530610	0015	13,863	2623172	\$3,300,000	08/06/13	\$238.04	RETAIL/OFFICE	MB	1		
010	080	530610	0040	2,600	2534335	\$108,100	02/21/12	\$41.58	RETAIL	MUZ	1	63	Sale price updated by sales id group
010	080	727610	0230	7,612	2604621	\$725,000	05/10/13	\$95.24	OFFICE	TC-3	1	52	Statement to dor
010	080	728390	0573	4,080	2566208	\$1,433,323	09/21/12	\$351.30	VACANT OFFICE BLDG.	I	4	63	Sale price updated by sales id group
010	080	740290	0010	0	2654044	\$1,135,726	02/19/14	\$0.00		TC-2	1		

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
010	010	145360	0482	13,509	2540335	\$1,477,551	04/20/12	\$109.38	VACANT	C1-65	1	63	Sale price updated by sales id group
010	010	145360	0665	10,011	2540337	\$1,097,388	04/20/12	\$109.62	VACANT	C1-65	1	63	Sale price updated by sales id group
010	010	297980	0140	10,400	2615582	\$156,000	05/23/13	\$15.00	UNIVERSITY MOTORSPORTS	C1-40	1	52	Statement to dor
010	010	510040	2506	4,999	2658536	\$469,500	03/17/14	\$93.92	VACANT NC2-40	NC2-40	1		
010	010	510040	2506	4,999	2659897	\$465,000	03/17/14	\$93.02	VACANT NC2-40	NC2-40	1		
010	010	766370	0900	83,129	2522936	\$5,360,000	12/14/11	\$64.48	CARL NORTH CO	C1-65	1	52	Statement to dor
010	040	367050	0115	18,919	2652778	\$570,000	02/07/14	\$30.13	VACANT LOT	CB	1		
010	040	367050	0585	8,108	2662203	\$176,500	04/10/14	\$21.77	PARKING LOT FOR CHURCH	R12	1		
010	080	062604	9176	25,075	2497286	\$300,000	06/22/11	\$11.96	PAVED PARKING	MUZ	2	22	Partial interest (1/3, 1/2, etc.)
010	080	072604	9098	88,435	2583168	\$2,540,000	12/20/12	\$28.72	PARKER'S	TC-1	1	51	Related party, friend, or neighbor
010	080	182604	9098	50,530	2536296	\$1,500,000	03/20/12	\$29.69	Former OVERLAND TRAILER COURT	MUZ	1	33	Lease or lease-hold