

Commercial Revalue

2014 Assessment roll

AREA
47

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

Lloyd Hara, Assessor



King County

Department of Assessments

Accounting Division

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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.

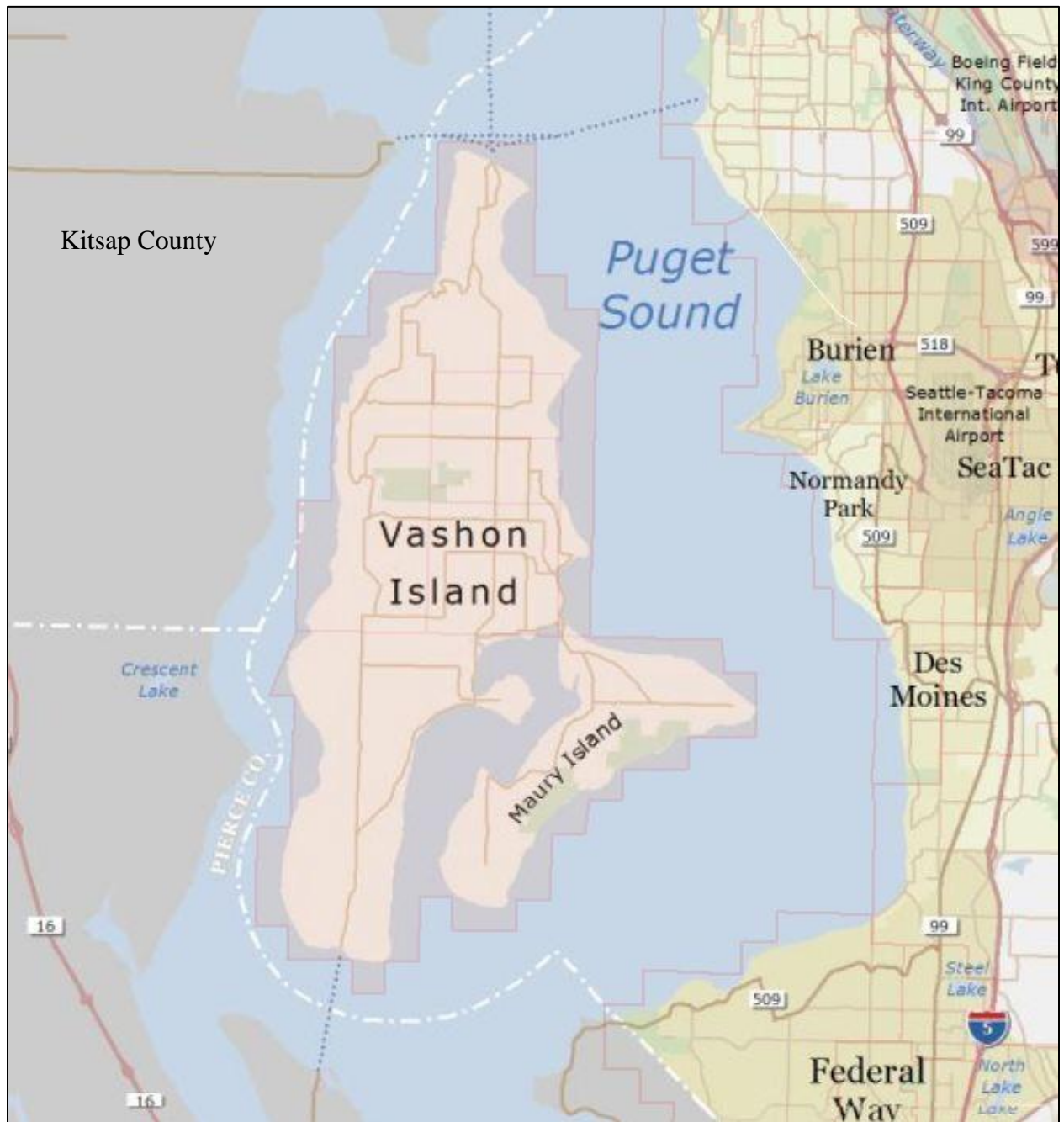
We have worked hard to implement your suggestions to place more information in an e-Environment to meet your needs for timely and accurate information. The following report summarizes the results of the 2014 assessment for this area. (See map within report). It is meant to provide you with helpful background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



Commercial Appraisal Central Team
Vashon Island

Executive Summary Report

Appraisal Date: 1/1/2014- 2014 Assessment Year

Quadrant Name: Vashon & Maury Islands – Commercial Area 47

Physical Inspection: None

Sales – Improved Summary

Number of Sales: 5 included Ratio Study Analysis, 6 Total Sales in Area 47

Range of Sales Dates: 11/27/2012 – 12/13/2013

Sales – Ratio Study Summary

	Improved Value	Sale Price	Ratio	COD
2013 Average Value	\$681,500	\$675,000	1.01%	21.68%
2014 Average Value	\$606,800	\$675,000	0.90%	5.90%
Change	-\$74,700		-0.11%	-15.78%
% Change	-10.96%		-10.89%	-72.79%

The Weighted Mean Ratio (**Ratio**), which represents the assessment level, has decreased from the 2013 to the 2014 revalue. The coefficient of dispersion (**COD**) is a measure of uniformity, the lower the number the better the uniformity. It is a standard statistical measure of the relative dispersion of the sample data about the mean of the data. The change in COD from the 2013 to the 2014 revalue represents an improvement in the uniformity.

Sales used in Analysis: All improved sales which were verified as good that did not have characteristic changes between the date of sale and the date of appraisal were included in the analysis.

Due to the small number of sale transactions in relation to the population size, the ratio study statistics have limited use as indicators of the statistical measures relevant to the IAAO guidelines.

Population – Parcel Summary Data

	Land	Improvements	Total
2013 Value	53,275,400	38,595,240	91,870,640
2014 Value	52,443,700	39,813,800	92,257,500
Percent Change	-1.56%	3.16%	0.42%

- The small decrease in land value is caused mostly by the re-mapping of shoreline parcels which resulted in a change in some parcel sizes. The increase to improvement values is primarily a result of updates to income parameters based on a recently completed rental survey.

Number of Parcels in the Population, Excluding Specialties: 221

Conclusion and Recommendation

We recommend posting these values for the 2014 assessment year. Due to the small number of sales, which is typical for Vashon and Maury Islands, statistically significant results are not yielded within the statistical analysis. The relatively minor changes in assessed values resulted from the increasing costs balanced against continued depreciation of the multiple properties in this area that are valued by the cost approach.

Analysis Process

Effective Date of Appraisal: January 1, 2014

Date of Appraisal Report: April 10th, 2014

Highest and Best Use Analysis

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

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

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

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

Standards and Measurement of Data Accuracy

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

Special Assumptions and Limiting Conditions

All three approaches to value were considered in this appraisal. The following Departmental guidelines were considered and adhered to:

- Sales from 1/2011 to 12/2013 (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 47: Vashon & Maury Islands

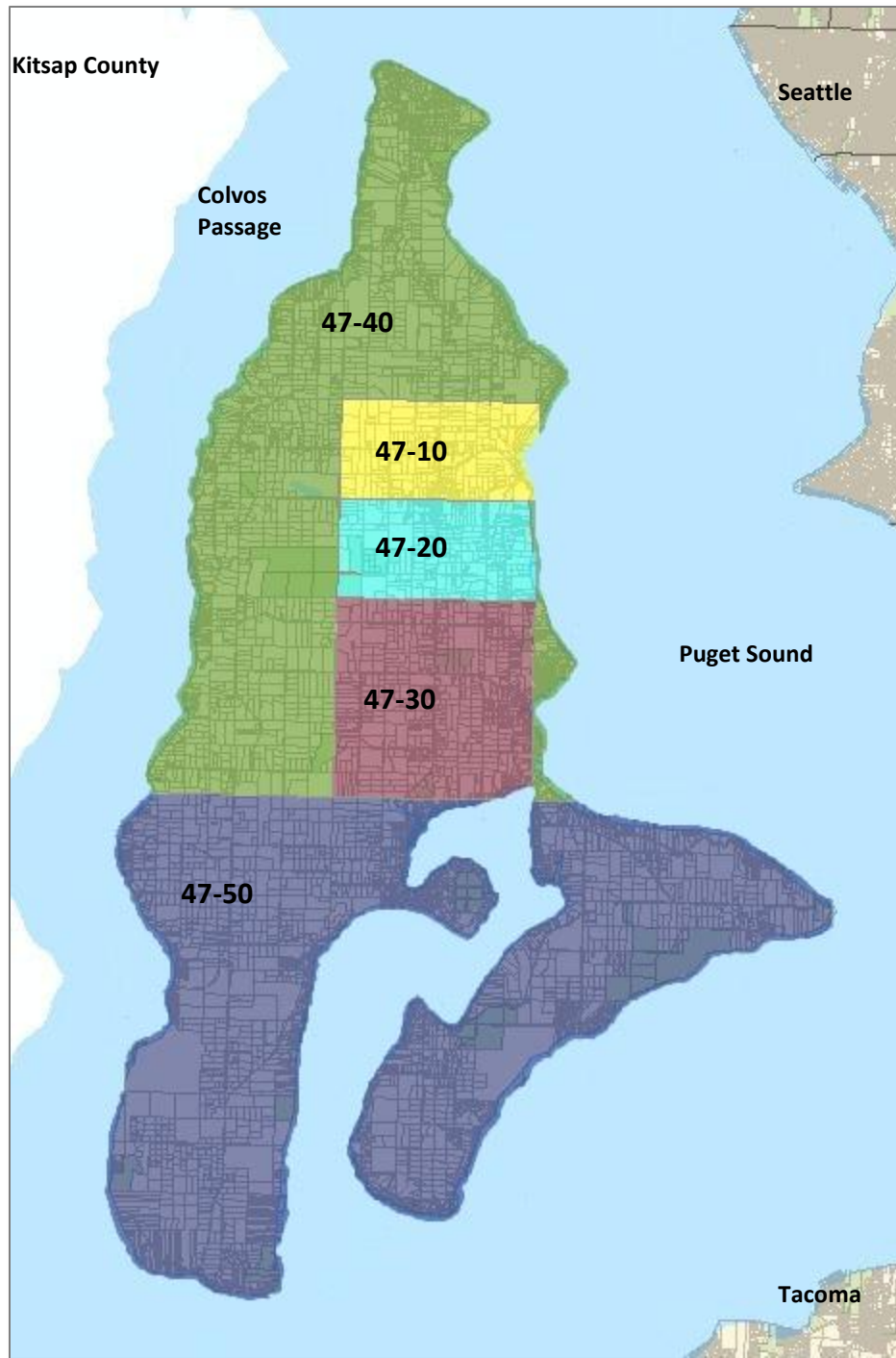


Boundaries

Area 47 encompasses Vashon & Maury Islands, which are located in the Puget Sound, just southwest of Seattle. The islands are connected by a man-made isthmus between Tramp and Quartermaster Harbors.

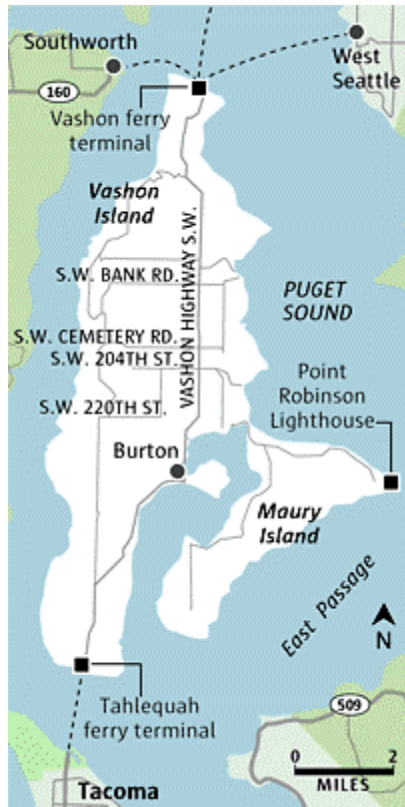
Maps

A general map of the area and its market area neighborhoods is shown on the following page. More detailed Assessor's maps are located on the 7th floor of the King County Administration Building.



Area Description

Area 47 – Vashon & Maury Islands are often referred to as “Vashon”, which is the census-designated place name covering the islands. Vashon is approximately 12 miles long and 8 miles wide, at the widest point. The area covers roughly 37 square miles or 23,680 acres, and houses a population of approximately 11,000 persons. The islands are accessible only via boat or private airplane.



The Washington State Ferry system provides public access to the islands via four routes. A passenger-only ferry located at Pier 50 services Seattle’s central business district and the Vashon Island Terminal on the northern portion of the island. An auto/passenger ferry route travels from West Seattle’s Fauntleroy Terminal to the Vashon Island Terminal. This ferry terminal is also accessed from the Southworth Ferry Dock, located due west, in Kitsap County. A ferry from Point Defiance in Tacoma, which is located within Pierce County, connects to the Tahlequah Terminal in the southernmost portion of Vashon Island. Private boats have access to the islands through public and private docks. The Vashon Municipal Airport is a small airport in the north-central portion of Vashon Island with a grass landing strip and a medevac heliport.

Residential land use primarily consists of detached single-family homes generally situated on two-and-a-half, five or ten acre parcels. Apartment buildings, classified as residential properties containing four or more units, number twenty properties with one-hundred-and-ninety-six units. There are also seven condominium complexes with a total of 74 privately-owned residential units. The apartment buildings and condominium units are valued by the Apartment and Condominium specialty sections, respectively,

within the Commercial Business Division of the King County Department of Assessments. A small number of additional dwelling units are located in mixed-use commercial properties.

Commercial land use is concentrated in three major areas: the Town of Vashon, Burton, and Dockton. The main business district is the Town of Vashon (in neighborhoods 10, 20 & 30), located approximately three miles south of the Vashon Island Ferry Terminal, on Vashon Highway between about Southwest 168th Street and Southwest 204th Street. This area consists of a community shopping center, retail strip centers, and free-standing retail and office buildings. There are also service garages, a lumber yard, small warehouses, and institutional uses (churches, schools, government building and utilities).



The town of Burton is a historic waterfront area located about two miles south of the Town of Vashon at the isthmus between Inner and Outer Quartermaster Harbor (in neighborhood 50). Burton was founded in 1892 with the development of Vashon College and the Burton Store. Industries around Burton at that time included logging, shingle manufacturing and brickmaking. The college ceased operation in 1912 when it was destroyed by fire. (In 2006 a new Vashon College was opened, but not at the Burton location) Today Burton features a few retail stores, churches, Quartermaster marina, and a bed and breakfast.



Directly across Quartermaster Harbor, on Maury Island, is Dockton (in neighborhood 50). Dockton was one of the first settlements on Vashon and was an important shipbuilding center. The Puget Sound Dry Dock Company ship yard and dry-dock was the largest on the west coast of the United States from 1892



to 1909. Many large commercial steam ships were produced at the ship yards in Dockton with the last boat built and launched into Quartermaster Harbor in 1929. There is only one commercial building remaining from the early 20th century. The Dockton Store, which also housed a post office, closed in 1980. The building is currently listed on the National Registry of Historic Places. It has been well maintained and is in use today as a residence/art gallery. Today Dockton is primarily residential. Commercial properties in Dockton are institutional uses, such as churches, government buildings and utilities.

Historically, development activity on Vashon & Maury Islands has maintained a slower pace in comparison to King County as a whole, which can, in part, be attributed to a combination of the following: 1) The islands maintain a degree of isolation from the mainland due to the lack of a bridge to provide easier accessibility; 2) The islands lack any major large-scale employers; 3) A potential to increase development activity has in many cases received minimal support from many island residents, due to the belief that a dramatic change in the rural character of the island may result; and 4) The fresh-water supply, and current means of accessing/distributing it, are not inadequate to support fuller development of the island.

The full impact of the islands' fresh-water limitations is impossible to quantify as no centralized water authority exists. Sites which are served receive fresh water either from a private well, or from one of the islands' several independent purveyors. The largest of these is King County Water District 19

(KCWD19), serving approximately 1,400 accounts and encompassing Vashon's Town Center. KCWD19's source water has come, historically, from a large well field of two wells, and two creeks. Attempts by KCWD19 over the years to add wells have been relatively unsuccessful, meeting with 1) resistance from the local population to tapping into more creeks, 2) expired or severely limited underlying water rights associated with potential well sites, or 3) prohibitive costs incurred in the development and treatment processes. These costs are passed along to customers who are paying some of the highest water prices in the state.

In the absence of a private well, a given site's access to fresh water is determined by the total number of water units associated with that site. Potential development of a site is impacted by the site's water units. The King County Department of Development and Environmental Services, in charge of issuing building permits on Vashon, requires a Certificate of Water Availability (CWA) be granted by a water district to any owner intending to develop a given site. For water purveyors to grant such a CWA the property owner must have the requisite number of Equivalent Residential Units (ERUs, or water units) to support the proposed development. There is not an adequate supply of fresh water to meet peak demand from all potentially developable properties.

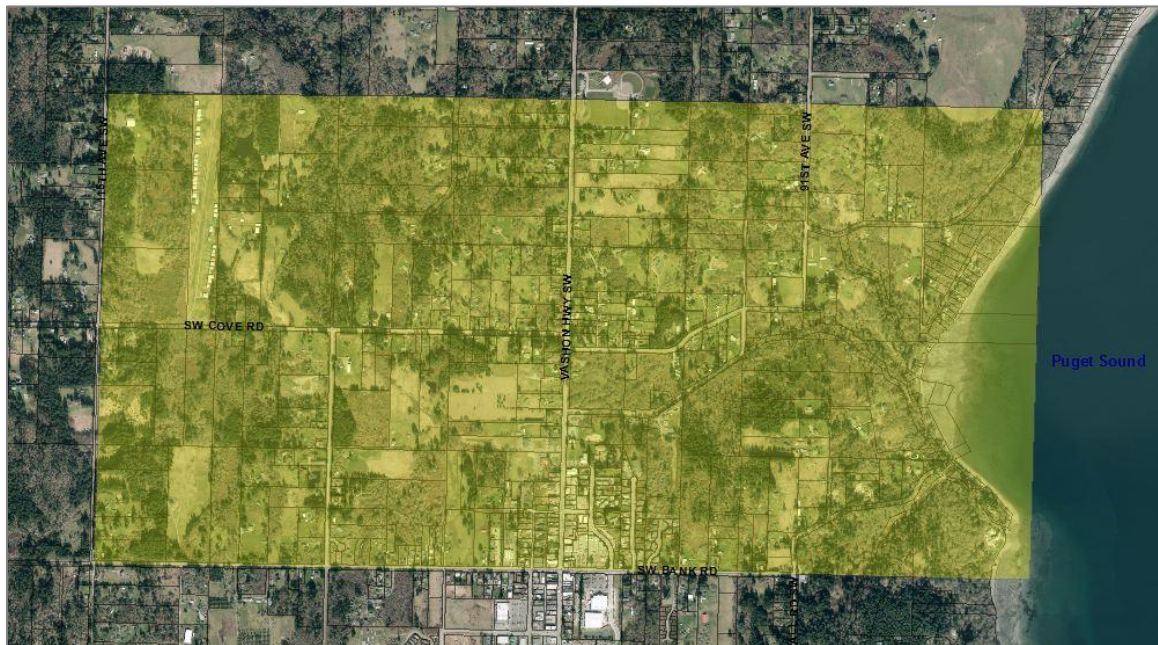
In 1996 a moratorium was placed on the creation and issuance of new units, in an attempt to consistently meet peak demand for existing customers. This resulted in waiting list of applicants desiring to purchase water units. In order to accommodate any new units, the water-system capacity needed to be expanded to show a small surplus above current peak demands. The district's 2009 Capacity Analysis Report showed a small surplus, indicating to managers that KCWD19 might be able to release some new units. The decision to do so was delayed, however. In 2010 the King County Council and KCWD19 began discussing why the system has not able to maintain a surplus and create new units. A major result from these discussions was the opening of the Morgan Hill and Beall Wells, which went online in August 2011. These new fresh-water sources did increase system capacity. The results of the 2009 report and the addition of these wells prompted KCWD19 to create 15 new water units which were offered and subsequently purchased by the next applicants on the waiting list, beginning in January 2012. Some applicants purchased more than one unit. KCWD19 also offered an additional 15 units in September 2012, after the new wells were proven to reliably and consistently perform. This second set of 15 was offered for a cost of \$10,650 per unit. Each applicant on the waiting list has 30 days to respond to an offer to purchase. If not, or if they decline, the next applicant is contacted. The second 15 water units were all purchased by the end of 2013. During 2013, the water district decided that it would be possible to release a third set of 15 water units. These had just been offered to the next applicants on the waiting list as of January 2014. The price for each unit remains at \$10,650. The waiting list as of this date contains 59 applicants who are requesting a total of 230 water units.

Water units cannot be traded or sold between property owners. Unused units may be sold back to the water district. Currently, during the water moratorium, the district will pay the property owner \$7,000 a unit (up to 25 units). The water district purchased two water units during 2013. If a property owner owns contiguous parcels, they can transfer water units between the parcels as needed, although they must go through the district to do this. One water unit corresponds to a peak water usage of 600 gallons/day or 450 gallons/day for multi-family (apartment) usages. Property owners pay a bi-monthly fee for each water unit they own, regardless of whether they are using the unit or not.

There are a handful of other water purveyors on the islands. Vashon Island is also served by Heights Water in the northeast, Burton Water Company in and around the community of Burton, and Westside Water Association, in the northwest. Maury Island is served by the Maury Mutual Water Company and the Dockton Water Association.

The above factors affect the valuation of Vashon properties, particularly in Vashon's Town Center. Even though isolation of the islands shield some of the development pressures experienced in other parts of King County, the demand that does exist for improved and unimproved commercial properties on Vashon confronts a highly inelastic supply. Thus, existing developed commercial space and the land beneath the improvements may prove more valuable than they would be without the constraints that limit new development.

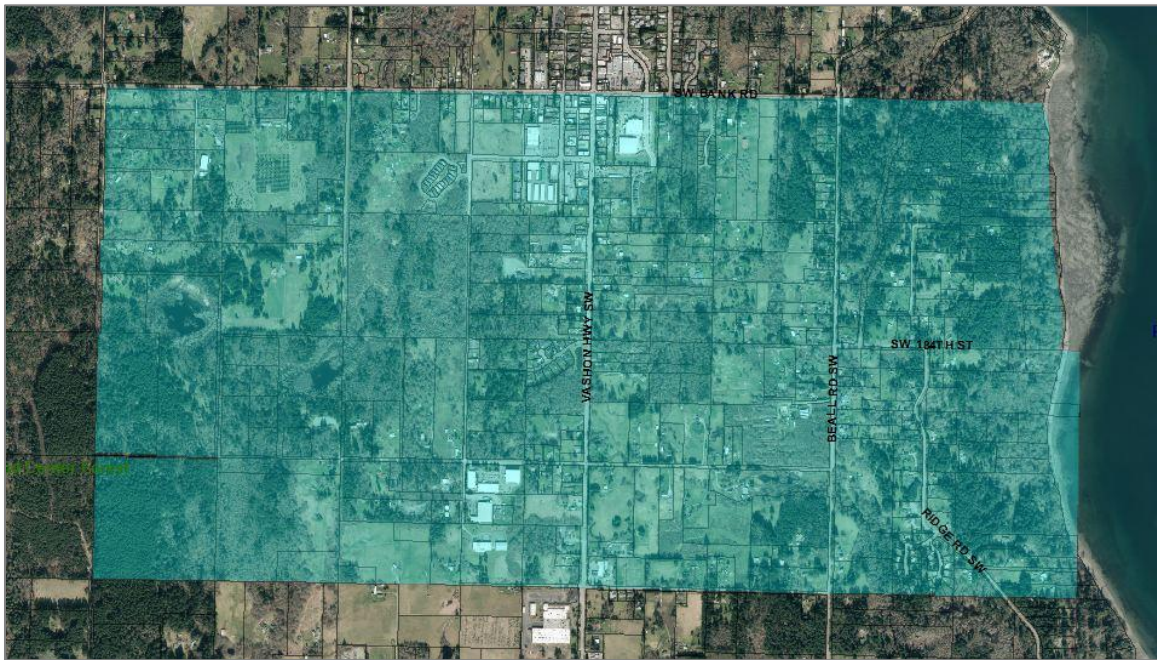
Neighborhood 47-10



Neighborhood 47-10 is the northern half of the downtown core, with the southern boundary located at Southwest Bank Road. The neighborhood is contained within all of Sections 29 and 30 of Township 23N Range 03E, equaling about 1,280 acres. Most of the commercial development is clustered within a block or two of the intersection of Southwest Bank Road and Vashon Highway Southwest. This area features mostly one-to-two story stand-alone commercial buildings, some of which are converted from single-family residences. Use is primarily retail, with some restaurant and offices, as well as schools, banks, and the Vashon Municipal Airport. This King County airfield features one grass runway, a heliport, and approximately 40 lots which are leasable to private parties who may place a hangar thereon, as personal property.

Recent additions to this area included a second office building, constructed behind the Windermere Real Estate Office in 2008, on the same parcel. Also in 2008 the King County Wastewater Treatment Division added some offices and an equipment shop to their site. In 2009 an existing multi-tenant office building was converted to the island's only commercial condominium, with three separately-owned general and dental office units. The dental office unit sold in November 2012 and continues to operate as a dental practice.

Neighborhood 47-20



Neighborhood 47-20 is directly south of neighborhood 47-10 and forms the southern half of the downtown core, with the northern boundary located at Southwest Bank Road. The neighborhood is contained within all of Sections 31 and 32 of Township 23N Range 03E, equaling about 1,280 acres. Most of the commercial development is clustered within a block or two of Vashon Highway Southwest. This area features mostly one-story retail buildings, configured as zero-lot-line developments in a “main street” style business district within the town center. There are also offices, restaurants, churches, service garages, warehouses, government/utility structures, and a movie theater.

The Eeriness Apartments, a 26-unit apartment complex, was completed in 2008. It features six buildings around a greenbelt. Half of the apartments are rent-subsidized, with the remaining units renting at below-market rates. Also in 2008 Pacific Research Labs added an office and warehouse to their site. Island Lumber and Hardware finished construction of a storage warehouse and a wash building behind the retail establishment in 2009.

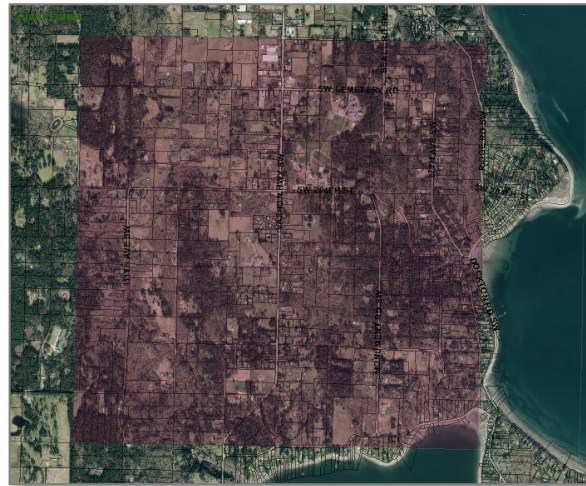


In 2009 the owners of the Vashon Pharmacy purchased a vacant site behind it, apparently with intentions to hold for development. This parcel has one water unit.

In December 2012 the former Movie Magic building was sold. The new owner did extensive renovation to both the exterior and interior and opened a family pizza restaurant during 2013.

Neighborhood 47-30

Neighborhood 47-30 is directly south of economic neighborhood 20, and is contained within all of Sections 5, 6, 7 and 8 of Township 22N Range 03E, equaling about 2,560 acres. Commercial development is along Vashon Highway Southwest, clustered near Southwest Cemetery Road and Southwest 204th Street, both in the north-central portion of the neighborhood. Commercial structures are mostly one-story stand-alone buildings. Commercial uses are evenly distributed between retail, restaurant, office, service garage, warehouse, and institutional.



The most recent improvements to this area occurred in 2001 with the addition of a 4,000-square-foot church along Beall Road Southwest. In 2010 the former VFW Post building was sold. It is now used as the Vashon Books club.

Neighborhood 47-40

Neighborhood 47-40 comprises the parcels surrounding neighborhoods 10, 20 and 30 on the north, east and west sides. It contains approximately 7,680 acres of land within all or parts of numerous sections of Townships 22N and 23N, Ranges 02E and 03E. This area graphically resembles a horseshoe, with the outer edge extending along the northern, eastern and western island boundaries of Vashon Island. Commercial properties are spread out across this area, occurring in the middle of Vashon along Vashon Highway Southwest, as well as to the west along Westside Highway Southwest and to the east along Dockton Road Southwest. Commercial structures uses are primarily institutional (churches, schools, government buildings and utilities), with an office building, restaurant, some warehouses, tidelands, and the Vashon Ferry Terminal.

The most recent improvements to this area occurred in 2001 when the current Vashon Transfer and Recycling Station was completed. In January 2012, a 10-acre parcel along Cemetery Road was purchased. This site had been used as a broadcast facility by AT&T and features some related facilities. The site was purchased as land only, though the intentions of the buyer were unknown at the time.

Neighborhood 47-50

Neighborhood 47-50 comprises the remainder of Vashon Island and all of Maury Island, totaling approximately 10,880 acres of land, within all or parts of numerous sections of Townships 21N and 22N, Ranges 02E and 03E. Commercial structures group around the small towns of Burton and Dockton and typically consist of one-story stand-alone structures, with a few two-story mixed-use buildings. Commercial uses include some retail stores and offices, volunteer fire stations, churches, water towers, community halls, parks, several television transmitters, marinas, and the Tahlequah Ferry Terminal. There is also a bed and breakfast – the Quartermaster Inn and Restaurant. About one-half of the commercial parcels in this area are undeveloped and serve as parks, tidelands, and vacant commercial/industrial sites.

The most recent improvements to this area occurred in 2000 with the addition of a 2,500-square-foot boathouse located at Burton Acres / Jensen Point Park in Burton. In 2008 a dormitory and clubhouse were added to Camp Burton.

In late 2010 the former Glacier NW Sand and Gravel quarry was obtained by King County. This 250-acre site, which has been a major supplier of raw materials for cement-related products, has been a source of contention between Vashon Islanders and the operators/owners of the quarry, who in 1998 applied to expand operations at the south Maury Island site. Islanders had concerns over environmental impacts. While Glacier was in the process of satisfying environmental elements, a key permit was revoked in 2008. Glacier then became amenable to selling the site, and the deal was completed in 2010. The general plan is to use the site as a park or natural area, after much required environmental remediation. The park has been named the Maury Island Marine Park.



Physical Inspection Identification:

No physical inspections were required by the geographic appraiser for the 2014 assessment year as required by WAC 458-07-015 4 (a).

Preliminary Ratio Analysis

A preliminary Ratio Study was completed just prior to the application of the 2014 recommended values. This study benchmarks the current assessment level using 2013 posted values. The study showed a PRD of 1.13, an assessment level of 1.01% for the Weighted Mean Ratio, and a COD at 21.68%. The assessment level of the Weighted Mean Ratio decreased after application of the 2014 recommended values and the COD decreased significantly. The results are included in the validation section of this report. The PRD changed to 1.04, the Assessment level for the Weighted Mean Ratio changed to 0.90%, and the COD changed to 5.90%. A discussion of the ratio measurements is included in the Model Validation section at the end of this report.

It should be noted that although a Ratio Study was completed for Area 47, the limited number of sales impacts the meaningfulness of a Ratio Study analysis and diminishes the reliability and statistical significance of the results.

Scope of Data

Land Value Data

Two sale transactions which occurred during the time period ranging from January 1, 2011 through December 31, 2013 were given primary consideration in the valuation of commercial zoned land parcels for the 2013 revalue. One of these sales had industrial zoning but no water units. The second had split residential/commercial zoning with 5 water units.

Improved Parcel Total Value Data

Six improved sales were available to establish a market relationship for similar properties that were not sold. One of the six sales was not included in the ratio study due to a use change after the sale. The time window for sales collection ranged from January 1, 2011 to December 31, 2013. Sales information was obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information was analyzed and investigated by the appraiser in the process of revaluation. All sales were verified, when possible, by contacting the purchaser, seller, or realtors involved in the transaction. Characteristic data was verified, when possible, for the sales. Due to time constraints, interior inspections were limited. Sales are located in the "Sales Used" and "Sales Not Used" sections of this report. Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.

Land Value

Land Sales, Analysis, Conclusions

The valuation of land in the Vashon business district, consisting of neighborhoods 10, 20, and the northern portion of 30, is historically based upon land sales with similar zoning designations, such as CB, Community Business, and R-12, Urban Residential.

The issue of water units continues to play a significant role in the valuation process, with resulting negative impact for parcels without water rights. King County Water District 19 (KCWD19), located at 17630 100th Avenue Southwest, maintains a list of property owners who retain water rights. The Assessor has made an effort to identify which parcels have been allocated water units. Due to the limited market activity, appraisal judgment was utilized to arrive at the rate of discount to correspond with water allocation. Under the current moratorium, parcels without water rights are precluded from development (see Resolution No. 778 as adopted at a regular meeting of the Board of Commissioners of Water District No. 19 held on February 13, 1996.) As discussed earlier in this report, a recent (2009) water-supply surplus, the addition of two wells, and the water-conservation efforts of islander have resulted 30 new water units, which were sold in 2012 and an additional 15 water units which were being offered as of the date of this report.

Development activity is generally more contingent on the ability to support a desired use with quantity of water units held by an individual parcel rather than strictly the zoning parameters of the parcel. Water units are parcel-specific; however, transfer of units between parcels with contiguous ownership is permissible in the event multiple units are owned. One water unit allows parcel development use not exceeding a peak water usage of 600 gallons/day or 450 gallons/day for multi-family (apartment housing.)

The following table is an overview of the land valuation schedule for the Vashon business district, which encompasses neighborhoods 10, 20, and the northern portion of 30.

Neighborhood	Zone	\$/SF
All	CB, CBP	\$4 - \$30
	NB, NBP	\$2 - \$10
	IP	\$0.35 - \$3.20
	R4 - R12	\$0.39 - \$7.90
The range in unit values reflects lot size, water availability and proximity to Vashon's central business district.		

The zoning for parcels located in Neighborhoods 40 and 50 is primarily residential (RA-2.5, RA-5, RA-10), with the exception of NB zoning in Burton and Dockton. The highest and best use of residential zoned land with a commercial use within these neighborhoods, if vacant, would most likely be residential.

Land Value Comparisons and Recommended Conclusion

The 2013 assessed land value was \$53,275,400 and the 2014 recommended assessed land value is \$52,443,700. This represents an overall decrease from the previous total assessed land value of approximately -1.56%. This small change is caused mostly by the re-mapping of shoreline parcels which resulted in a change in some parcel sizes. All parcels with residential zoning that are valued by the Commercial Division are equalized with the Residential Division. Based on 8 recent sales of residential zoned parcels, no adjustment to residential land value was required for the 2013 assessment year. Overall, commercially zoned parcels have experienced almost no change in comparison to the 2013 assessed values. Sales grids of both the vacant land sales used and not used are included in the subsequent sections of this report.

Improved Parcel Total Values

Sales Comparison Approach Model Description and Sales Comparison Calibration

The limited number of sales prevented the development of a statistically significant model for adequate sales comparison.

Sales Comparison Calibration

The limited number of sales prevented the development of a statistically significant model for adequate sales calibration.

Cost approach model description

Cost estimates are automatically calculated via the Marshall & Swift cost modeling system. Depreciation was based on studies done by Marshall & Swift Valuation Service. The cost was adjusted to the western region and the Seattle area. Marshall & Swift cost calculations are automatically calibrated to the data in place in the Commercial Division's Real Property Application. In most instances, cost estimates were considered value indicators for exempt properties, such as schools and churches, and new construction projects. The cost approach was also occasionally utilized in the valuation of non-exempt property, especially in circumstances where insufficient market rent data is available to apply the income approach to value.

Cost Calibration

The Marshall & Swift cost modeling system built in to the Commercial Division's Real Property Application is calibrated to the region and the Seattle area.

Income Capitalization Approach Model Description

The income approach was utilized for many properties throughout Area 47. Income parameters were derived from the marketplace through real estate sales and the sales verification process, as well as market surveys of lease rates within the various neighborhoods that comprise Vashon/Maury Islands. The income tables are included in this report. Similar uses were grouped together with income rates that were correlated to the effective age and building quality of the commercial property.

Income: Income parameters were derived from the market place through fair market sales within the geographic area and neighboring areas, as well as through published sources (i.e. Office Space Dot.Com, the 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 personal observation.

Expenses: Expense ratios were estimated based on industry standards, published sources, and personal knowledge of the area's rental practices. Within our income valuation models, the assessor used triple net expenses for typical retail/mixed-use, industrial and office type uses.

Capitalization Rates: Capitalization rates were determined by actual sales, local published market surveys, such as CoStar and CB Richard Ellis Capital Market Update. Other national reports include the Real Estate Research Corporation Investment Trends Quarterly and the American Council of Life Insurers. The effective age and condition of each building determines the capitalization rate used by the appraiser. For example; a building with a lower effective age of lesser condition will typically warrant a higher capitalization rate and a building in better condition with a higher effective age will warrant a lower capitalization rate. The following tables summarize capitalization rates both regionally and nationally.

SEATTLE / PACIFIC NW CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
ACLI	Yr. End 2013	Seattle	5.83%	7.05%	7.16%	ACLI
	Pacific	6.21%	6.93%	6.37%	Pacific	6.21%
CBRE – Capital Markets Cap. Rate survey.	2nd Half 2013	Seattle	5.00% - 5.75% 6.00% - 7.00% 6.00% - 6.75% 7.00% - 8.00% 7.00% - 8.50% 8.50% - 10.50% 6.00% - 6.50% 7.50% - 8.50% 6.50% - 7.50% 8.25% - 9.25% 7.25% - 8.25% 9.00% - 10.50%	- - - - - - - - - - - -	- - - - - - - - - - - -	CBD - Class A CBD - Class A – Value Added CBD - Class B CBD - Class B – Value Added CBD - Class C CBD - Class C – Value Added Suburban - Class A Suburban - Class A – Value Added. Suburban - Class B Suburban - Class B – Value Added. Suburban - Class C Suburban - Class C – Value Added
			- 6.50% - 7.00% 5.50% - 6.00% 7.00% - 7.50% 6.00% - 7.00% 7.50% - 8.50%	- - - - - -	- - - - - -	Class A Class A – Value Added Class B Class B – Value Added Class C Class C – Value Added
			- - - - - - - - - - -	- 5.00% - 5.75% 6.00% - 7.50% 6.00% - 6.75% 7.00% - 8.50% 7.25% - 7.75% 8.00% - 9.50%	- 5.00% - 5.75% 6.00% - 7.50% 6.00% - 6.75% 7.00% - 8.50% 7.25% - 7.75% 8.00% - 9.50%	Class A - Nbh Center w/Grocery Class A - Nbh Center - Value Added Class B - Nbh Center w/Grocery Class B - Nbh Center - Value Added Class C - Nbh Center Class C - Nbh Center - Value Added
IRR Viewpoint for 2014	Year End 2013	Seattle	5.50% 6.50% 6.00% 7.50%	- - - 5.25%	- - - -	CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B
			- N/A 7.25% N/A	- - - -	- - - -	Industrial – Class A Industrial – Class B Flex Industrial – Class A Flex Industrial – Class B
			- - - - -	- 5.25% N/A 6.00%	- 5.25% N/A 6.00%	Reg. Mall – Class A Reg. Mall – Class B Community Retail – Class A Community Retail – Class B
			- - - -	- 6.50% 6.25% 6.72%	- 6.50% 6.25% 6.72%	Neighborhood Retail – Class A Neighborhood Retail – Class B
RERC-CCIM: Investment Trends Quarterly	4Q 2013	West Region	8.00% 7.50%	- 7.30%	- -	Office CBD Office Suburban
			- 7.30%	- -	- -	Industrial Warehouse Flex
			-	-	7.20%	Retail
CoStar Group	Yr. End 2013	King County	5.11% 6.14%	- 6.02%	- -	SP=\$1mil. - \$5mil.; Cap. Rate = 1%-10% SP=\$5mil. +; Cap. Rate = 1%-10%
			- 6.60%	- -	- -	SP=\$1mil. - \$5mil.; Cap. Rate = 1%-10% SP=\$5mil. +; Cap. Rate = 1%-10%
			- -	- 6.71%	- 6.71%	SP=\$1mil. - \$5mil.; Cap. Rate = 1%-10% SP=\$1mil. - \$5mil.; Cap. Rate = 1%-10%
			-	-	6.75%	SP=\$5mil. +; Cap. Rate = 1%-10%
Chainlinks Realty Advisors	Q4 2013	Pacific Region	- - - - -	- - - - -	6.60% 6.60% 6.00% 5.70% 6.00%	Shopping Centers All Types Shopping Center (Neigh. & Comm. Cntrs.) Drug Store Quick Service Rest.
			-	-	7.30%	Jr. Big Box - (20,000K/SF – 39,999/SF) Mid. Big Box - (40,000K/SF – 79,999/SF)
Colliers NA Office Highlights	Q4 2013	Seattle	8.00% 8.00%	- -	- -	CBD Office Suburban Office

NATIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
ACLI	Yr. End 2013	National	6.26% 7.28% 7.09% - 7.23% 6.10%	7.10% 7.94% 7.61% - 7.99% 6.73%	6.65% 7.28% 7.09% - 7.23% 6.20%	Overall Sq.Ft. - <50k Sq.Ft. - 50k-200k Sq.Ft. - 200K+
PWC / Korpaz	4Q 2013	National	6.45% 6.98% 7.71% - - - - -	- - - 7.83% 6.22% - - -	- - - - - 6.56% 6.67% 6.98%	CBD Office - (4.00% - 9.00%) Sub. Office - (5.00% - 9.50%) Medical Office - (5.50% - 11.00%) Flex/R&D - (6.25% - 10.00%) Warehouse - (5.00 - 7.75%) A+ = 5.46%; A = 5.92%; B+ = 6.71% Power Center - (5.50% - 8.00%) Neigh. Strip Ctrs. - (5.00% - 10.00%)
IRR: Viewpoint for 2014	Yr. End 2013	Seattle	7.37% 8.01% 7.68% 8.23% - - - - - - - -	- - - - 7.50% 8.09% 8.01% 8.53% - - - -	- - - - - - - - 7.01% N/A - 7.26% 7.72% 7.41% 7.93%	CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B Industrial – Class A Industrial – Class B Flex Industrial – Class A Flex Industrial – Class B Reg. Mall – Class A Reg. Mall – Class B Community Retail – Class A Community Retail – Class B Neighborhood Retail – Class A Neighborhood Retail – Class B
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 Transactions over \$2.5mil (Real Cap Analysis)	7.20% - - - - - - -	- - - - - - - -	- 7.40% 7.20% 7.40% 7.50% 7.20% 6.70% 6.40% 7.00%	Single Tenant Office Big Box Grocery/Supermarket Anchored Strip Malls Unanchored Strip Malls Power Center Drug Stores Malls Average – All Subcategories
Calkain: 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 West Region	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	National	- - - -	7.60% - - -	- 6.90% 6.90% 7.60% 7.90%	Industrial Drug Store Quick Service Rest. Jr. Big Box - (20,000/SF – 39,999/SF) Mid. Big Box - (40,000/SF – 79,999/SF)

The preceding tables demonstrate 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 to develop the income model. The range of capitalization rates in the income model reflects the variety of properties in this area. In Area 47, the properties predominantly are considered to be non-institutional grade, with many purchased by owner-users.

Income Approach Calibration

The income models were calibrated after setting base rents, vacancy, expenses and capitalization rates, by using adjustments based on size, effective age, and construction quality as recorded in the Assessor's records. Income models were developed for the 2014 revalue for the main business district of Vashon, neighborhoods 10 and 20. The application of the models was based on the different uses of the income-producing properties in these neighborhoods.

For properties valued by the income approach in neighborhoods 30, 40 and 50, the parameters from the income models were applied individually to properties, tempering based on locational differences.

Income Parameters Used

The following table summarizes rental rates used for neighborhoods 10 and 20:

Property Type	Rent Range Per Square Foot
Apartment/Multiple Residence	\$10.00 to \$14.00
Medical/Dental/Veterinary	\$8.00 to \$18.00
Office	\$7.00 to \$22.00
Restaurant/Bar/Tavern	\$9.00 to \$20.00
Retail/ Barber Shop/Salon	\$5.00 to \$16.00
Service Garage/Auto Repair	\$5.00 to \$12.00
Supermarket	\$5.50 to \$8.00
Warehouse/Industrial	\$2.00 to \$7.00

Vacancy and credit loss, triple net expenses, and capitalization rates used in the income models are shown below:

Vacancy and Credit Loss	5% to 20%
Operating Expenses	7.5% to 30%
Capitalization Rates	6.75% to 8.50%

Reconciliation

All parcels were individually reviewed for correctness of the model application before final value selection. All factors analyzed in the process of establishing value using the model were subject to adjustment by the appraiser. The market rents established in the income model were used as a guide in determining the market rental rates for assessment purposes. Adjustment parameters were stratified based on construction quality, effective age, size, and location. The market rental rates applied may vary somewhat, but fall within an acceptable range of deviation of the established guidelines.

Model Validation

Total Value Conclusions, Recommendations and Validation:

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

A ratio study analysis was included in this report although the limited number of sales impacts the meaningfulness of a ratio study analysis by diminishing the statistical significance.

The total assessed value for the 2013 assessment year for Area 47 was \$91,870,640. The total recommended assessed value for the 2014 assessment year is \$92,257,500. Application of these recommended values for the 2014 assessment year (taxes payable in 2015) result in a total change from the 2013 assessments of 0.42%.

The change in the assessed values for the 2014 revalue resulted from:

- the increasing costs balanced against continued depreciation, of the multiple properties in this area that are valued by the cost approach
- updates to income parameters based on a recently completed rental survey.

A list of both improved sales used and those considered not reflective of the market are included in the subsequent sections.

USPAP Compliance

Client and Intended Use of the Appraisal:

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

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

Definition and date of value estimate:

Market Value

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

Retrospective market values are reported herein because the date of the report is subsequent to the effective date of valuation. The analysis reflects market conditions that existed on the effective date of appraisal.

Highest and Best Use

RCW 84.40.030

All property shall be valued at one hundred percent of its true and fair value in money and assessed on the same basis unless specifically provided otherwise by law.

An assessment may not be determined by a method that assumes a land usage or highest and best use not permitted, for that property being appraised, under existing zoning or land use planning ordinances or statutes or other government restrictions.

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

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

If a property is particularly adapted to some particular use this fact may be taken into consideration in estimating the highest and best use. (Sammish Gun Club v. Skagit County, 118 Wash. 578 (1922)) The present use of the property may constitute its highest and best use. The appraiser shall, however, consider the uses to which similar property similarly located is being put. (Finch v. Grays Harbor County, 121 Wash. 486 (1922)) The fact that the owner of the property chooses to use it for less productive purposes than similar land is being used shall be ignored in the highest and best use estimate. (Sammish Gun Club v. Skagit County, 118 Wash. 578 (1922))

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

Date of Value Estimate

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. Physically inspected areas comply as required by WAC 458-07-015 (a). An exterior observation of the properties was made to verify the accuracy and completeness of property characteristic data that affect value.

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 features and, actual income and expenses by property owners is not a requirement by law therefore attempts to obtain and analyze this information are not always successful. The mass appraisal performed must be completed in the time limits indicated in the Revaluation Plan and as budgeted. The scope of work performed and disclosure of research and analyses not performed are identified throughout the body of the report.

Certification:

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

- The statements of fact contained in this report are true and correct
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.
- The individuals listed below were part of the “appraisal team” and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser or in any other capacity is listed adjacent their name.
- No significant real property assistance as determined by the undersigned. All services as may be variously defined significant or otherwise, and performed by duly authorized and qualified King County Assessment staff employed in the areas of Public Information, Accounting/Abstract, Commercial, Residential, Information Services, Personal Property, Accounting/Mapping, Accounting/Support, Accounting/Appeals, Chief Appraiser, Accounting/Exemptions, Accounting/Levy Administration, who may have involvement in physical inspection, revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification, new construction evaluation, and any other service which may be required from time to time, is made part of each real property parcel as a matter of public record and this certification by reference.

Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed below: Any and all activities required under the Certificate of Appointment

dated 3 March 2003 under sworn oath appointing the below signed appraiser to the position of true and lawful deputy in the Office of the King County Assessor, and authorized by the State of Washington, Department of Revenue under a Certificate of Accreditation. To Wit: all duties, responsibilities, and services associated with the position description of Commercial Appraiser I in the management and valuation of Commercial Area 47, or Vashon & Maury Islands. Such duties, responsibilities and services include, but are not limited to physical inspection, revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification, new construction evaluation, and any other service which may be required from time to time and be determined significant or otherwise during the fulfillment of position requirements, and are made part of each real property parcel, is a matter of public record and this certification by reference.

Area 047 - vashon
2013 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>
012202-9090	140,000	140,000	1/5/2012	1.0000	0.0000
302303-9039	1,552,900	1,850,000	8/28/2013	0.8394	0.1606
302303-9090	743,500	550,000	12/13/2013	1.3518	0.3518
312303-9044	418,400	270,000	9/3/2013	1.5496	0.5496
888350-0010	552,600	565,000	11/27/2012	0.9781	0.0219

Area 047 - vashon
2013 Assessment Year

Quadrant/Crew:	Appr date :	Date:		Sales Dates:										
Central Crew	1/1/2013	4/9/2014		1/5/12 - 12/13/13										
Area	Appr ID:	Prop Type:		Trend used?: Y / N										
47	PHAI	Improvement	N											
SAMPLE STATISTICS														
Sample size (n)	5	<div>Ratio Frequency</div> <table><thead><tr><th>Ratio</th><th>Frequency</th></tr></thead><tbody><tr><td>0.9</td><td>1</td></tr><tr><td>1.0</td><td>2</td></tr><tr><td>1.4</td><td>1</td></tr><tr><td>1.5</td><td>1</td></tr></tbody></table>			Ratio	Frequency	0.9	1	1.0	2	1.4	1	1.5	1
Ratio	Frequency													
0.9	1													
1.0	2													
1.4	1													
1.5	1													
Mean Assessed Value	681,500													
Mean Sales Price	675,000													
Standard Deviation AV	534,378													
Standard Deviation SP	681,652													
ASSESSMENT LEVEL														
Arithmetic mean ratio	1.144													
Median Ratio	1.000													
Weighted Mean Ratio	1.010													
UNIFORMITY		<div>Ratio</div>												
Lowest ratio	0.8394													
Highest ratio:	1.5496													
Coefficient of Dispersion	21.68%													
Standard Deviation	0.2953													
Coefficient of Variation	25.82%													
Price-related Differential	1.13													
RELIABILITY		<div>These figures reflect measurements <u>before</u> posting new values.</div>												
95% Confidence: Median														
Lower limit														
Upper limit														
95% Confidence: Mean														
Lower limit	0.885													
Upper limit	1.403													
SAMPLE SIZE EVALUATION														
N (population size)	177													
B (acceptable error - in decimal)	0.05													
S (estimated from this sample)	0.2953													
Recommended minimum:	78													
Actual sample size:	5													
Conclusion:	ok													
NORMALITY														
Binomial Test														
# ratios below mean:	3													
# ratios above mean:	2													
z:	0													
Conclusion:	Normal*													
*i.e., no evidence of non-normality														

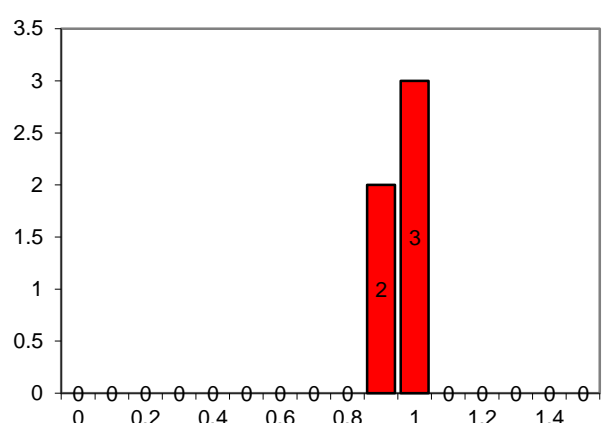
Area 047 - vashon
2014 Assessment Year

<i>Parcel Number</i>	<i>Assessed Value</i>	<i>Sale Price</i>	<i>Sale Date</i>	<i>Ratio</i>	<i>Diff: Median</i>
012202-9090	140,000	140,000	1/5/2012	1.0000	0.0082
302303-9039	1,552,900	1,850,000	8/28/2013	0.8394	0.1524
302303-9090	545,500	550,000	12/13/2013	0.9918	0.0000
312303-9044	233,100	270,000	9/3/2013	0.8633	0.1285
888350-0010	562,400	565,000	11/27/2012	0.9954	0.0036

Area 047 - vashon
2014 Assessment Year

Quadrant/Crew:	Appr date :	Date:	Sales Dates:	
Central Crew	1/1/2014	4/9/2014	1/5/12 - 12/13/13	
Area	Appr ID:	Prop Type:	Trend used?: Y / N	
47	PHAI	Improvement	N	
SAMPLE STATISTICS				
Sample size (n)	5			
Mean Assessed Value	606,800			
Mean Sales Price	675,000			
Standard Deviation AV	560,890			
Standard Deviation SP	681,652			
ASSESSMENT LEVEL				
Arithmetic mean ratio	0.938			
Median Ratio	0.992			
Weighted Mean Ratio	0.899			
UNIFORMITY				
Lowest ratio	0.8394			
Highest ratio:	1.0000			
Coefficient of Dispersion	5.90%			
Standard Deviation	0.0796			
Coefficient of Variation	8.48%			
Price-related Differential	1.04			
RELIABILITY				
95% Confidence: Median				
Lower limit				
Upper limit				
95% Confidence: Mean				
Lower limit	0.868			
Upper limit	1.008			
SAMPLE SIZE EVALUATION				
N (population size)	177			
B (acceptable error - in decimal)	0.05			
S (estimated from this sample)	0.0796			
Recommended minimum:	10			
Actual sample size:	5			
Conclusion:	ok			
NORMALITY				
Binomial Test				
# ratios below mean:	2			
# ratios above mean:	3			
z:	0			
Conclusion:	Normal*			
*i.e., no evidence of non-normality				

Ratio Frequency



Ratio	Frequency
0.938	2
0.992	3

Ratio

These figures reflect measurements after posting new values.

</			

Improvement Sales for Area 047 with Sales Used

04/09/2014

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
047	010	302303	9039	9,086	2626945	\$1,850,000	08/28/13	\$203.61	VASHON VILLAGE	CBP	1	Y	Sale price includes \$850,000 allocated to excess land. Excluding this amount, the SP/NRA = \$110.06
047	010	302303	9090	2,736	2645591	\$550,000	12/13/13	\$201.02	Old Funqui	CBP	1	Y	
047	010	888350	0010	1,981	2576242	\$565,000	11/27/12	\$285.21	OFFICE/DENTAL	CBP	1	Y	
047	020	312303	9044	6,835	2629463	\$270,000	09/03/13	\$39.50	MUKAI COLD PROCESS FRUIT BAF	RA5	1	Y	
047	020	322303	9020	1,488	2582527	\$315,000	12/18/12	\$211.69	RETAIL (FORMER MOVIE MAGIC)	CBP	1	26	Imp changed after sale; not in ratio
047	040	012202	9090	3,186	2526549	\$140,000	01/05/12	\$43.94	AT&T ALASCOM	RA10	1	Y	

Vacant Sales for Area 047 with Sales Used

04/04/2014

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
047	020	312303	9009	1,708,423	2523395	\$698,500	12/20/11	\$0.41	VACANT LAND	IP	1	Y	
047	020	312303	9128	195,997	2579723	\$475,000	12/10/12	\$2.42	VACANT LAND	R8	1	Y	

Improvement Sales for Area 047 with Sales not Used

04/04/2014

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
047	010	292303	9127	3,977	2490677	\$450,000	05/10/11	\$113.15	PlaySpace Building	NBP	1	44	Tenant
047	010	302303	9016	59,597	2547141	\$30,000	04/12/12	\$0.50	VASHON AIR FIELD	RA10	1		Personal Property
047	020	312303	9071	1,662	2519263	\$93,779	11/14/11	\$56.43	Zoomies Burgers and Ice Cream	CBP	2	22	Partial interest (1/3, 1/2, etc.)
047	050	262202	9008	68,282	2484662	\$930,000	03/30/11	\$13.62	CAMP SEALTH CAMPFIRE	RA10SO	4	24	Easement or right-of-way

Vacant Sales for Area 047 with Sales not Used

04/04/2014

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
047	040	888600	0026	999,999	2482446	\$7,500	03/08/11	\$0.01	VACANT-SECOND CLASS TIDELANDS	RA2.5	1	12	Estate administrator, guardian, or e