

Commercial Revalue

2016 Assessment roll

AREA
75

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

John Wilson, Assessor



King County

Department of Assessments

Accounting Division

500 Fourth Avenue, ADM-AS-0740
Seattle, WA 98104-2384

(206) 205-0444 FAX (206) 296-0106

Email: assessor.info@kingcounty.gov

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

John Wilson
Assessor

Dear Property Owners:

Property assessments are being completed by our team throughout the year and valuation notices are being mailed out as neighborhoods are completed. We value your property at fee simple, reflecting property at its highest and best use and following the requirements of state law (RCW 84.40.030) to appraise property at true and fair value.

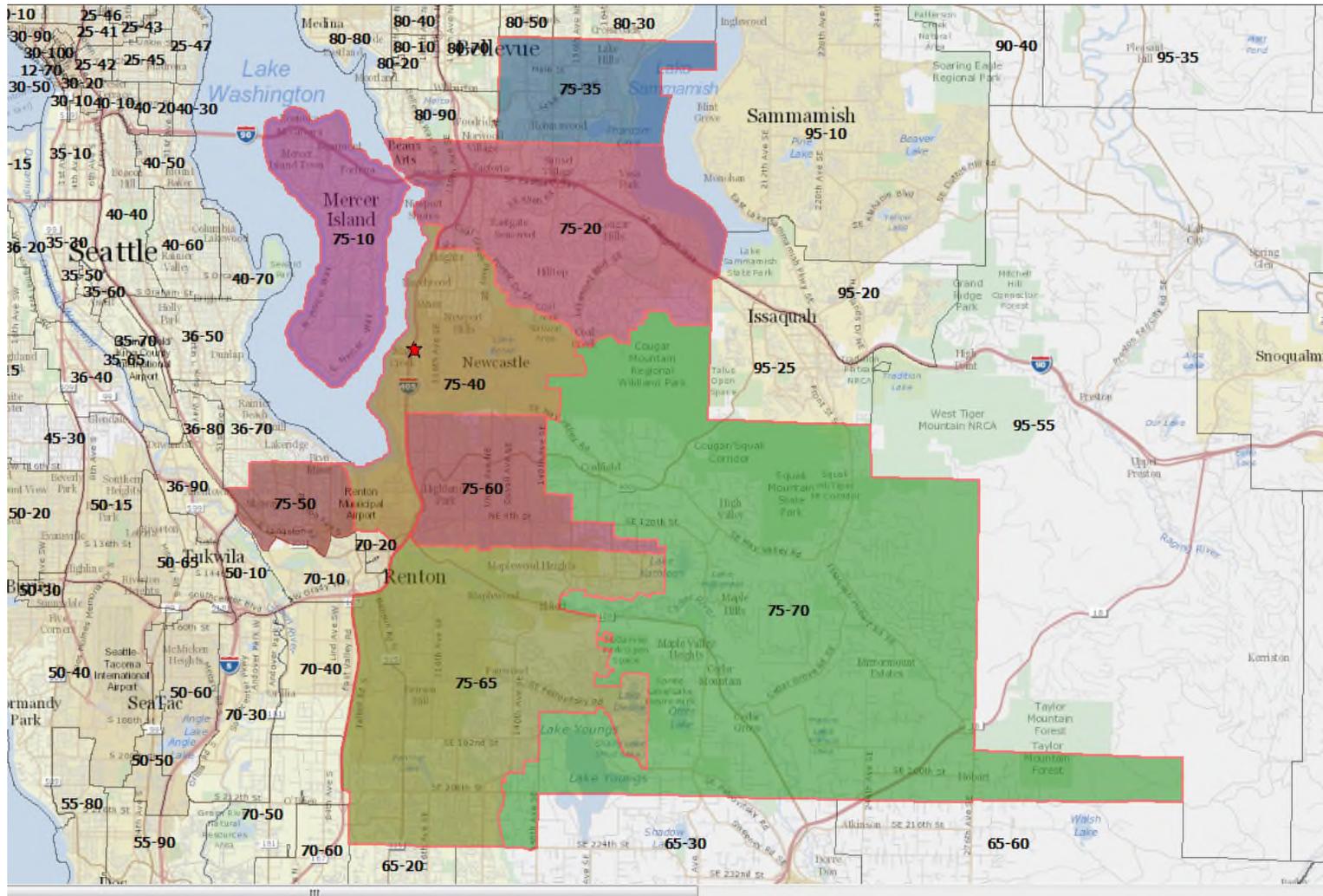
We are continuing to work hard to implement your feedback and ensure we provide accurate and timely information to you. This has resulted in significant improvements to our website and online tools for your convenience. The following report summarizes the results of the assessments for this area along with a map located inside the report. It is meant to provide you with information about the process used and basis for property assessments in your area.

Fairness, accuracy, and uniform assessments set the foundation for effective government. I am pleased to incorporate your input as we make continuous and ongoing improvements to best serve you. Our goal is to ensure every taxpayer is treated fairly and equitably.

Our office is here to serve you. Please don't hesitate to contact us if you should have questions, comments or concerns about the property assessment process and how it relates to your property.

In Service,

John Wilson
King County Assessor



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

Executive Summary Report

Appraisal Date 1/1/16

Geographic Appraisal Area:

- Area 75: Cities of Mercer Island, East and South Bellevue, Bellevue I-90 Corridor, Newcastle, North and East Renton, Bryn Mawr – Skyway, Northeast Kent, Cedar Basin, and May Valley in Unincorporated King County

Sales – Improved Summary

- Number of Sales: 64
- Number of Sales used in the ratio: 57
- Range of Sales Dates: 1/31/2013 - 12/31/2015

Sales – Ratio Study Summary

| <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>2015 Value</i> | \$1,962,100 | \$2,262,000 | 86.7% | 11.00% |
| <i>2016 Value</i> | \$2,105,700 | \$2,262,000 | 93.1% | 7.60% |
| <i>Change</i> | \$143,600 | | 6.4% | -3.40% |
| <i>% Change</i> | 7.32% | | 7.38% | -30.91% |

*Coefficient of Dispersion (COD) is a measure of uniformity. A low COD indicates better the uniformity.

Sales used in analysis: All improved sales that were verified as good that did not have characteristic changes between the date of sale and the date of appraisal were included in the analysis. Examples of sales that are not included in the analysis are: sales that have change of use, sales that have had major renovations after the sale, and net lease sales.

Population – Parcel Summary Data

| <i>Total Population - Parcel Summary Data:</i> | | | | |
|--|-------------------|-------------------|-------------------|-----------------------|
| <i>Area 75</i> | <i>2015 Value</i> | <i>2016 Value</i> | <i>Difference</i> | <i>Percent Change</i> |
| <i>Land</i> | \$1,456,978,600 | \$1,539,305,600 | \$82,327,000 | 5.65% |
| <i>Improvements</i> | \$1,095,187,800 | \$1,109,949,300 | \$14,761,500 | 1.35% |
| <i>Total Value</i> | \$2,552,166,400 | \$2,649,254,900 | \$97,088,500 | 3.80% |

Number of Parcels in the Population: 1,344 including vacant parcels but excluding specialty parcels and government owned parcels.

Conclusion and Recommendation:

Total assessed values for the 2016 revalue have increased 3.80%.

The values recommended in this report improve uniformity and equity; therefore it is recommended they should be posted for the 2016 Assessment Year.

Identification of the Area

Area 75: SE Lake Washington

Area 75 Neighborhoods

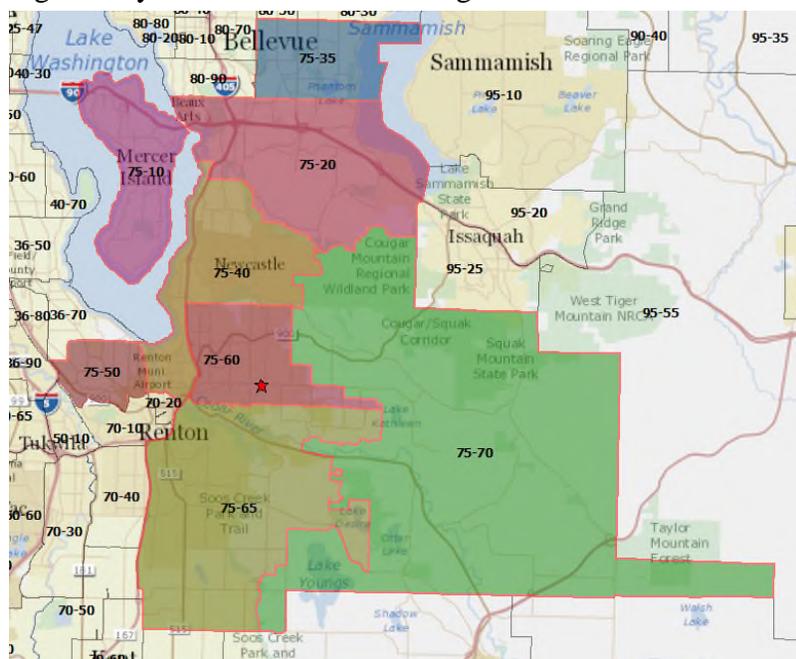
- **75-10** Mercer Island
- **75-20** South Bellevue/Factoria/I-90 Corridor
- **75-35** East Bellevue/Lake Hills to Crossroads
- **75-40** Newport/Newcastle/Kennydale/Renton Landing
- **75-50** Bryn Mawr - Skyway
- **75-60** Renton Highlands
- **75-65** Benson Hill/Fairwood/Panther Lake/& Cedar Valley
- **75-70** Cedar Basin/May Valley

Area 75 Boundaries:

- **North** – SE 24th St to 132nd Ave NE to NE 8th St in Bellevue
- **West** – Mercer Island and Lake Washington. Bryn Mawr – Sky way, the Cedar River and I-405 once south of the Maple Valley Highway.
- **East** – West Lake Sammamish Parkway north of I-90 and Issaquah Hobart Rd SE to the south
- **South** – SE 224th St in Kent

Maps

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



Area Overview

Area 75 is comprised of five cities and unincorporated King County. It includes the cities of Mercer Island, Bellevue, Newcastle, Renton, and Kent. It is one of the most diverse geographic areas in King County in terms of territorial jurisdiction, locations, commercial property types, and demographics.

Within the Geographic Area 75, there are eight distinct neighborhoods that have been established for valuation purposes totaling 1,344 parcels (excluding specialty and government owned parcels). The area is unique as it encompasses such a broad range of neighborhoods from high value properties in Mercer Island and parts of Suburban Bellevue to the more rural parts of unincorporated King County, Maple Valley, and Renton. The City of Mercer Island is located in the northwest part of Area 75. The City of Bellevue encompasses Area 75's northern and eastern ends. The City of Newcastle is located between the cities of Bellevue and Renton parallel to Interstate 405. The City of Renton is at the South west end of Lake Washington. The unincorporated area known as Bryn Mawr – Skyway is located to the west of the Renton Airport. The City of Kent is at the southwest end of area 75.



City of Bellevue

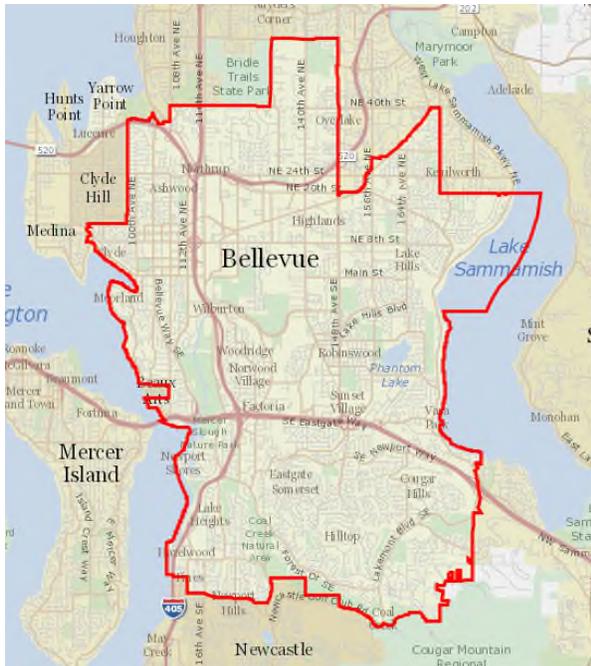
Bellevue is located east of Lake Washington between the cities of Kirkland to the north, Newcastle to the south, Seattle/Mercer Island to the west, and Sammamish to the east. It has an estimated population of 136,426 as of 2014. Bellevue is ranked as the second largest city in King County and 5th in the State of Washington in terms of population.

The city covers more than 33 square miles between Lake Washington and Lake Sammamish in terms of land area¹, ranked as the 3rd largest in King County and eight largest in the State of Washington in terms of land area². Next to Seattle, Bellevue is experiencing rapid growth both in commercial and multi-family residential constructions which hovers around downtown Bellevue. Bellevue's major employers are PACCAR, Microsoft, T-Mobile, Boeing, Expedia, Concur, Puget Sound Energy, and Sales Force to name a few.

Located in the City of Bellevue are several Area 75 neighborhoods such as Factoria, Lake Hills, Kelsey Creek, Lakemont, Eastgate, Somerset, Newport Hills, Suburban East Bellevue, and properties along I-90 Corridor.

¹ City of Bellevue

² US Census Bureau



The tech sector drives Bellevue's market with software firms, video game and social media companies accounting for almost 70 percent of the tenant mix. Currently, “the vacancy rate stands at 12 percent, or 50 percent higher than a year ago.”³

City of Mercer Island

Mercer Island is an upper income class community located in Lake Washington between Seattle and Bellevue. The island has an estimated population of 24,326 as of 2014 and spans about 6.32 square miles. It is ranked 15th largest city by population and 17th largest by area size in King County.⁴ Mercer Island is connected by Interstate 90 to both cities.

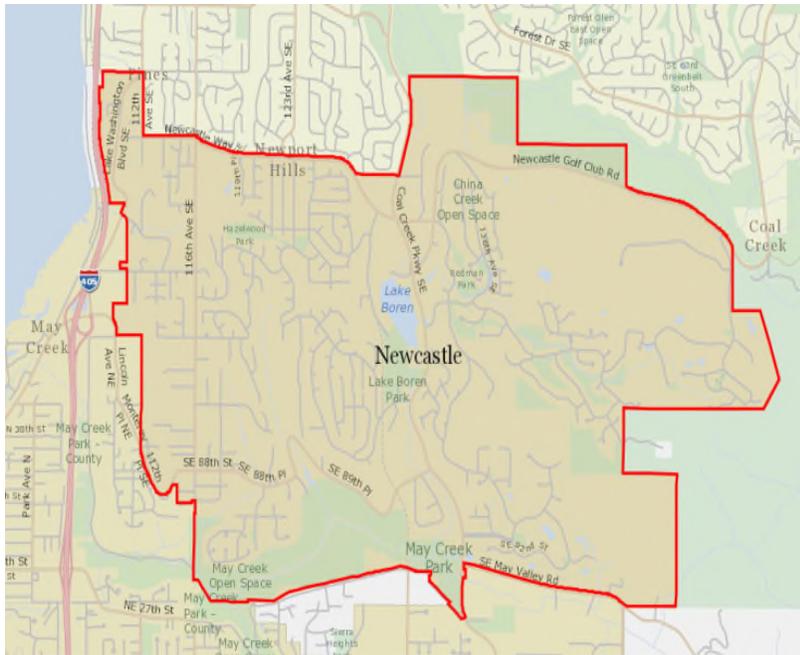


City of Newcastle

Newcastle is located south of Lake Washington between the Cities of Renton and Bellevue. It has an estimated population of 11,201; ranked as 22nd in King County. It has a land area of 4.45 square miles and is also ranked as 22nd in King County.

³ Puget Sound Business Journal

⁴ U.S Census Bureau

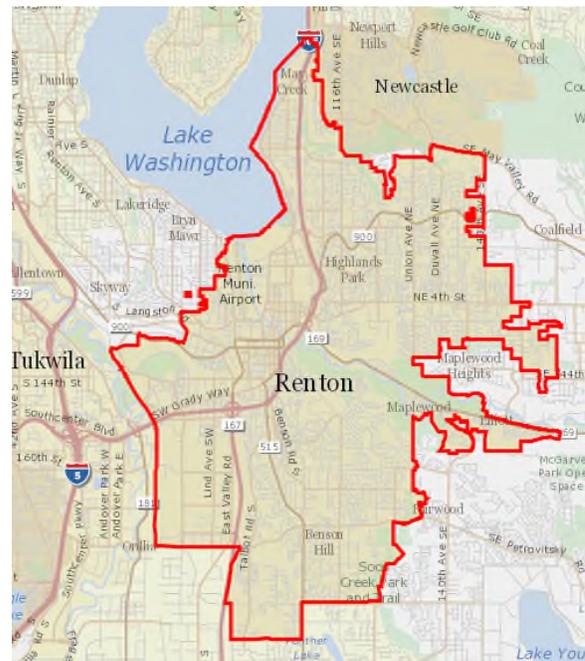


The City of Newcastle was incorporated in September of 1994. Newcastle was home to coal mines between 1863 and 1963. Newcastle continues to experience healthy growth. The city’s business community is most adequately described as a retail service economy and provides a retail core for neighborhood commercial activity. This area is most comparable to south Bellevue. The schools are served by the Issaquah and Renton School Districts. The opulent Newcastle Golf Club is open to the public and is situated directly on one of the former large coal mines. It

was ranked in 2013 by Money magazine as one of the best small towns in America. It started producing coal as early as 1863 and wrapped-up production in 1963. It produced a total of 10.5 million tons of coal for about a century of mining.⁵

City of Renton

Renton is located on the south shore of Lake Washington between the cities of Seattle to the north, Kent to the south, Bellevue to east, and Tukwila to the west. It has an estimated population of 98,404 as of 2014; ranked as the fourth largest city in King County and the eighth largest city in the State of Washington. It has a land area of 23.37 square miles; ranked as the fourth largest in King County and 17th in the State of Washington.⁶



⁵ City of Newcastle
⁶ U.S Census Bureau



Renton is home to the only IKEA store in the Northwest and The Landing - a mixed-use development with apartments, retail, restaurants and a movie theater. The city is also home to several auto dealerships. South Grady Way, a major arterial street in Renton, still is called the auto mall neighborhood. But East Valley Highway is transitioning to become an auto mall extension when the Nissan dealership built their new and larger site a few years back and

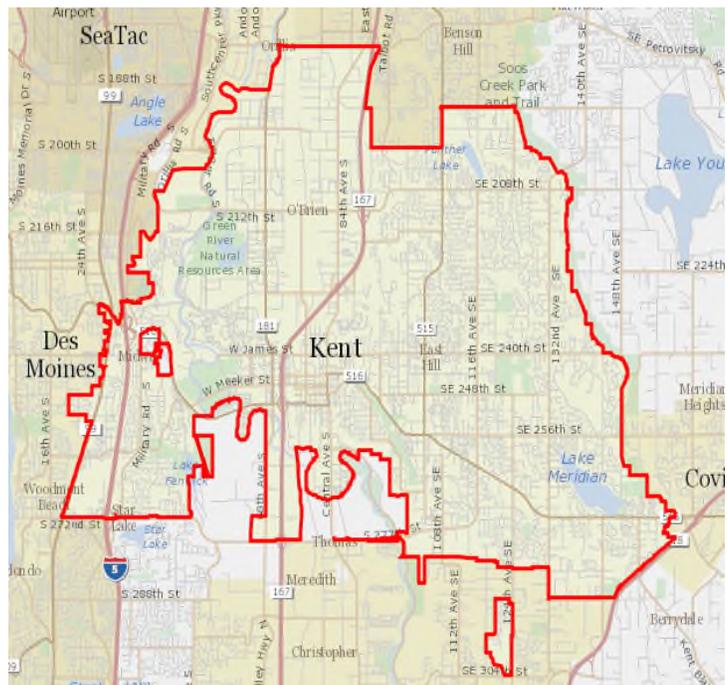
next door to them, Renton Honda recently move to their new home as well. Renton is also home to major companies like Boeing, Paccar, the Seahawks (Seattle Football team) office and training facility, the UW-Valley Medical Center, the Federal Aviation Administration, and Providence Health and Services to name a few.

Located in the City of Renton are several Area 75 neighborhoods that include the Renton Highlands, Kennydale, northeast portions of downtown Renton, properties along the Lake Washington shore, Fairwood, Cascade, Benson Hill, and the Valley Medical hospital commercial district.

City of Kent

Kent is located in south King County between the cities of Renton/Tukwila to the north, Auburn to the south, Covington to the east, and Federal Way to the west. It has a population of 125,560 (estimate as of 2014); ranked third in King County and sixth in State of Washington. It has a land area of 33.76 square miles, ranked 3rd in King County and 7th in the State of Washington.⁷

Kent is divided into three major neighborhoods; namely East Hill, the Valley, and West Hill. East Hill is comprised mainly of residential community with dispersed commercial establishments catering the needs of the residents. Kent occupies a small portion



⁷ U.S Census Bureau

of the area west of Interstate 5 called the West Hill. This neighborhood is primarily improved with dated commercial service and retail buildings. Downtown Kent is located on the valley; the rest of the valley is almost entirely covered by industrial warehouses. The City of Kent is the fourth largest manufacturing and distribution center in the United States. Kent earned their reputation as the economic leader for the region due to its vibrant and diverse economy.⁸

The area of Kent allocated to area 75 is known as Panther Lake, in the East Hill Neighborhood. Growth in this area has been stagnant. The commercial structures in this area are dated and composed of low to average quality construction.

Unincorporated King County

Situated south of Seattle, west of the Renton, east of I-5 and north of Tukwila is Bryn Mawr – Skyway. This area is primarily modest residential homes and apartments with most commercial properties concentrated along the Renton Ave South corridor. Commercial uses are predominately retail, service and apartment. The neighborhood is mature and very little new development is underway.

Located furthest south in Area 75 is a cluster of commercial properties that are within unincorporated King County and called the May Valley Cedar Basin neighborhood. These parcels are located along Highway 169 along east and west of the highway.

⁸ City of Kent

Analysis Process

Effective Date of Appraisal: January 1, 2016

Date of Appraisal Report: March 28, 2016

The following appraisers contributed on the valuation process of this geographic area:

- Trevor Swedberg, Commercial Appraiser I – Revalued the land and improvements
- Marie Ramirez, Senior Appraiser – Reviewed the valuation and the report

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.

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 property is put until it is ready for its future highest and best use is called an interim use. Thus, the interim use becomes the highest and best use, in anticipation of change over a relatively short time in the future.

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 January 2013 to December 2015 (at minimum) were considered in all analysis.
- No specific market trends (market condition adjustments, time adjustments) were applied to sales prices due to a lack of enough market data to develop a trend. Therefore, models were developed without market trends.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6.

Neighborhood Descriptions

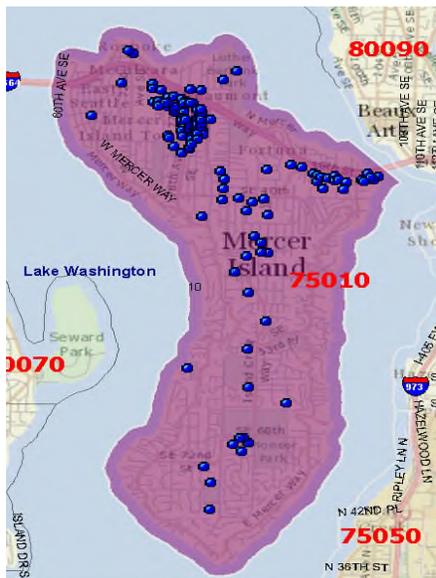
Area 75-10 – Mercer Island

Boundaries: The city of Mercer Island is an island located between Seattle and Bellevue.

- Boundaries include the entire island.

Neighborhood Description:

Downtown Mercer Island has gone through an extensive makeover the past several years. It is a blend of newer and dated office, retail, and mixed use buildings. Some of the properties with dated buildings will continue to be redeveloped to their highest and best use as commercial financing becomes more available. The south end of the island also features a redeveloped neighborhood shopping center with a mix of retail and office space.

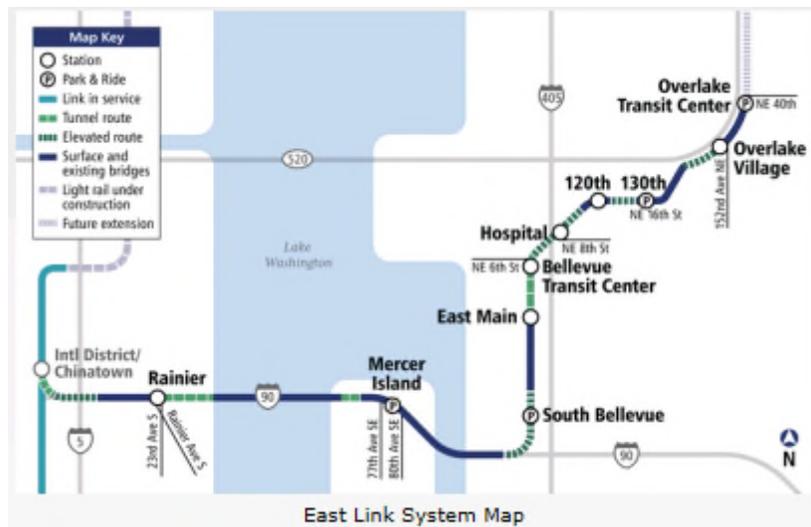


Several years ago, Sound Transit completed a new Park and Ride along I-90 which helped jumpstart several new developments that added hundreds of new apartments and condominiums to the town center and provided new office and retail space.

A major transportation project is in the front line. The \$3.7 billion East Link Project is a voter-approved regional transportation project that will tap in to the existing Link light rail between SeaTac airport and downtown Seattle. The expansion will connect link light rail from downtown Seattle to the Eastside with stations serving Mercer Island, south Bellevue, downtown Bellevue, Bel-Red, and Redmond's Overlake area. The East Link light rail project is expected to begin construction in 2016 and be ready to operate for passenger service in 2023.

Additional Park and Ride space will be needed to accompany the new Mercer Island Station. A location for the new parking area is yet to be determined.

Town Center Visioning - In early 2014, Mercer Island City Council formed a Town Center Visioning Subcommittee in conjunction with the coming of East Link light rail system. The city would like to ensure the Town Center meets the

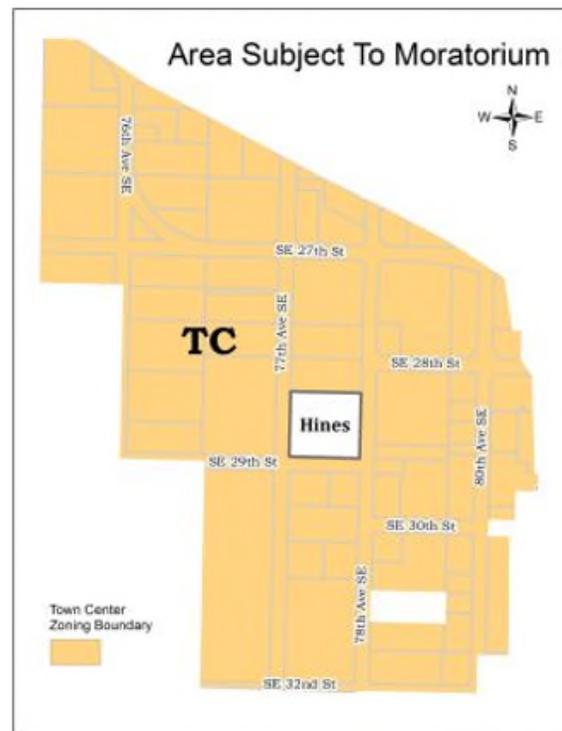


community's needs well into the future. A joint commission is currently working to update the city's building code and comprehensive plan. The commission is expected to complete its work by April 2016.⁹



While the commission develops a new comprehensive plan, the City Council passed a moratorium freezing most major new construction building permits in the Central Business District known as Town Center. The approximate area covered by the moratorium spans from Interstate-90 south to SE 32nd Street, and from 80th Ave SE west to 76th Ave SE. The moratorium took effect on February 16, 2015 and has been extended through June 16, 2016.¹⁰

With the coming of East Link light rail and the creation of an energized, walkable downtown, there has been an emerging interest in commercial development. In October of 2014, construction began of a 209-unit luxury apartment known as The Hadley Apartment. The project is located on the corner of S.E. 27th Street and 76th Avenue S.E. – just outside of the Town Center and building moratorium area. The total estimated development cost is \$63 million.



Town Center Moratorium – map (above) courtesy of City of Mercer Island.

⁹ City of Mercer Island

¹⁰ The Seattle Times – “‘Wall of Tall’ replaces humble homes on Mercer Island; moratorium proposed”



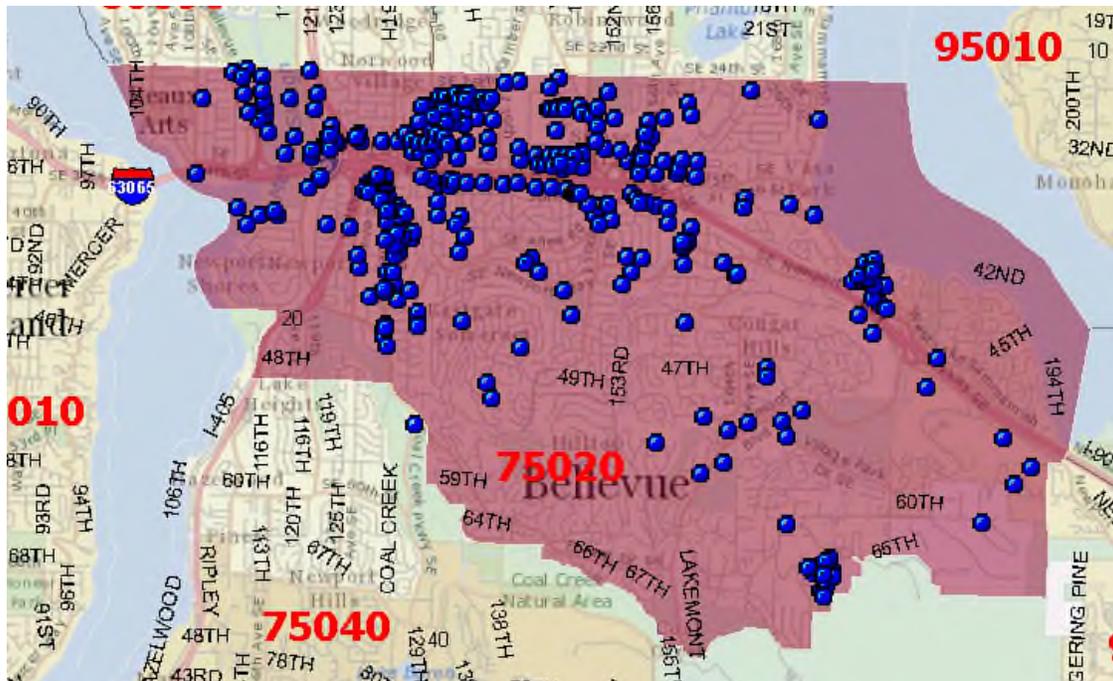
The Hadley will feature four stories of wood frame construction above a two-story concrete platform. The project includes 209 luxury one and two-bedroom apartments, averaging 729 square feet. Underground parking for 244 cars will be provided in addition to four commercial spaces totaling 9,200 square feet at ground level. The complex will also include 13 units of affordable housing to residents making 70 percent of King County area median income.

Rendering image above - courtesy of VIA Architecture.

Neighborhood 75-20 - South Bellevue/Factoria/I-90 Corridor

Boundaries:

- North – SE 25th St. runs straight east through Robinswood Park
- South – Newport Hills all the way to the border between Bellevue and Newcastle
- East – Lake Sammamish
- West – Lake Washington



Neighborhood Description:

Neighborhood 20 includes a portion of south Bellevue, Factoria, and the Bellevue/I-90 Corridor. Neighborhood 20 is a busy and often congested area because of its numerous shopping centers and a variety of business offices. It offers most major services as well as ample employment opportunities to its residents. A significant number of apartment and condominium complexes are highly visible in this neighborhood. At the same time, a wealth of single family homes surrounds the outskirts areas in this neighborhood.

The Factoria neighborhood serves the region as a major commercial and employment center. The Factoria Mall (now rebranded as “Marketplace at Factoria”) is located in the corner of Interstates 405 and 90. It has excellent visibility from the two major interstate freeways in King County. Although it lost one of its major tenants, Bellevue Children’s Museum, the mall still continues to add new tenants.



The Factoria Village has stayed nearly full having just two small vacant spaces.

The Interstate 90 corridor is surrounded by retail development, numerous business offices, and corporate headquarters. A major employer is T-Mobile which occupies a campus of several large office buildings just east of the Factoria shopping district.

While tower cranes are obviously visible sprouting in downtown Bellevue and the creation of the Spring District era is underway in the Bel-Red neighborhood, south east

Bellevue is rather quiet. These neighborhoods of South Bellevue, Eastgate, Factoria, and I-90 corridor have seen little new construction.

The following new construction is in the planning stage, in progress, or recently been completed:

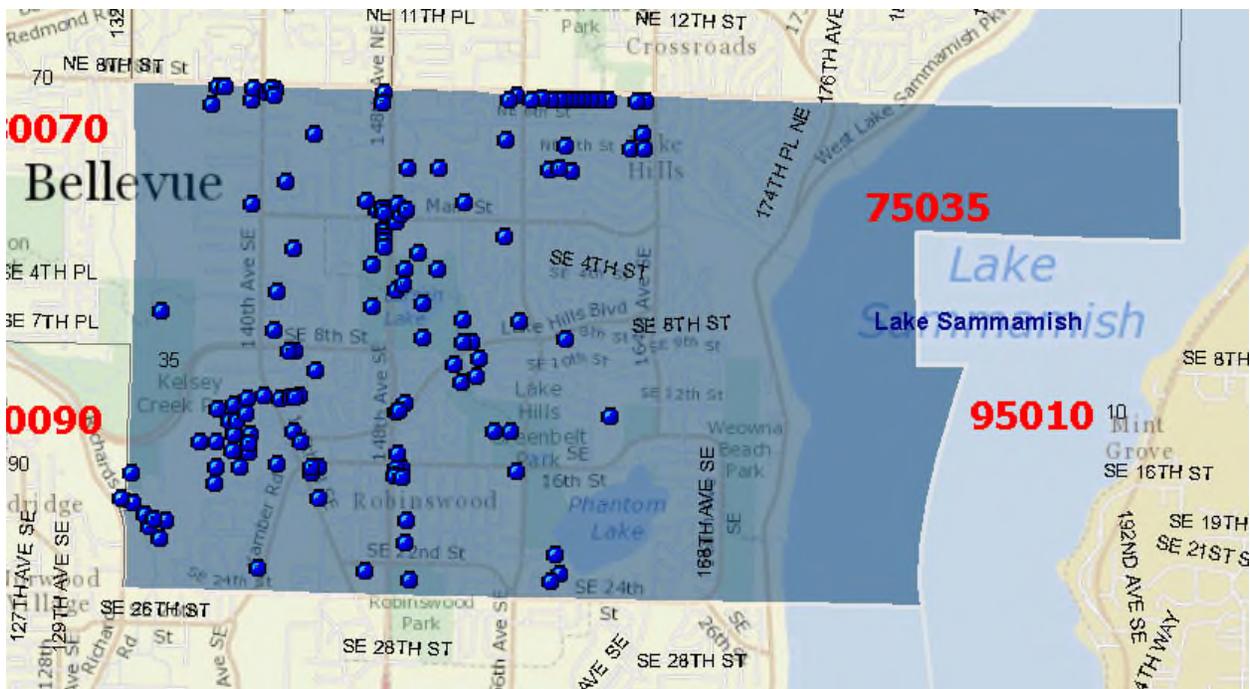
- The Eastgate neighborhood along Interstate 90 corridor has seen the completion of its Nissan dealership expansion taking over the former Bally’s building.
- Tenant improvement permits have been issued to several office building complexes along Interstate 90. This exhibit sparks economic growth with new tenants coming in. These office complexes are Lincoln Executive Office buildings I to V, Eastgate Office Center, Delphi Office Center, Crestwood Corporate Plaza and Kenyon Office Center.
- An extensive remodel is in progress at the Factoria AMC theater
- Conversion of an office building along 150th Ave SE to a medical office purchased by Sea-Mar Community Health Center in 2013

- A former bowling alley along 148th Ave SE has been converted to an auto dealership service garage for Michael's Toyota of Bellevue
- Intellectual Ventures has major tenant improvements underway in their office/warehouse space on SE Eastgate Way.

Neighborhood 75-35 – East Bellevue/Lake Hills to Crossroads

Boundaries:

- North – NE 8th Street
- South – SE 24th Street
- East – Lake Sammamish
- West – 132nd Ave. SE



Neighborhood Description:

Neighborhood 75-35 includes East Bellevue, Lake Hills and Crossroads. East Bellevue stretches along West Lake Sammamish and is renowned with expensive housing developments. Some commercial developments straddled along 156th Avenue and Bel-Red Road, cater to the surrounding residential neighborhoods.

The Lake Hills neighborhood encompasses extensive greenbelt, wetlands, open space, and trails. It is in this neighborhood where the City of Bellevue's farming of fruits and vegetables started. Although most of the agricultural lands were either developed to commercial and residential housing, a glimpse of this is still visible along 156th Avenue Southeast and Southeast 16th Street.

Lake Hills is home to the growing campus of Bellevue College, Robinswood Community Park, Larsen Lake Bluebury Farm, The Lake Hills Shopping Center, and Kelsey Creek Center. It also has one of Bellevue's more affordable single family and multi-family housing.

Crossroads is the heart of East Bellevue. Local entertainment, shopping, and community services are readily available for the area residents. Crossroads neighborhood has an abundance of large apartment complexes, retail and big box establishments, and some small offices catering to the local residents and surrounding neighborhoods.

Commercial construction has been fairly flat in this area with the exception of Lake Hills Village Shopping Center.

The following new construction is in the planning stage, in progress, or recently been completed.

| | |
|---|---|
|  | <p>Phase II completion of the Lake Hills Village Shopping Center. The village includes a remodeled King County Library, an office building and 70,000 sf of retail, restaurant and apartment space.</p> |
| <p><i>Rendering of phase two by Lake Hills Village developer Cosmos</i></p> | |
|  | <p>Renovation of Samena Club fitness center.</p> <p>15231 Lake Hills Blvd., Bellevue</p> |
|  | <p>Tenant improvements for Fairlake Professional Plaza.</p> |



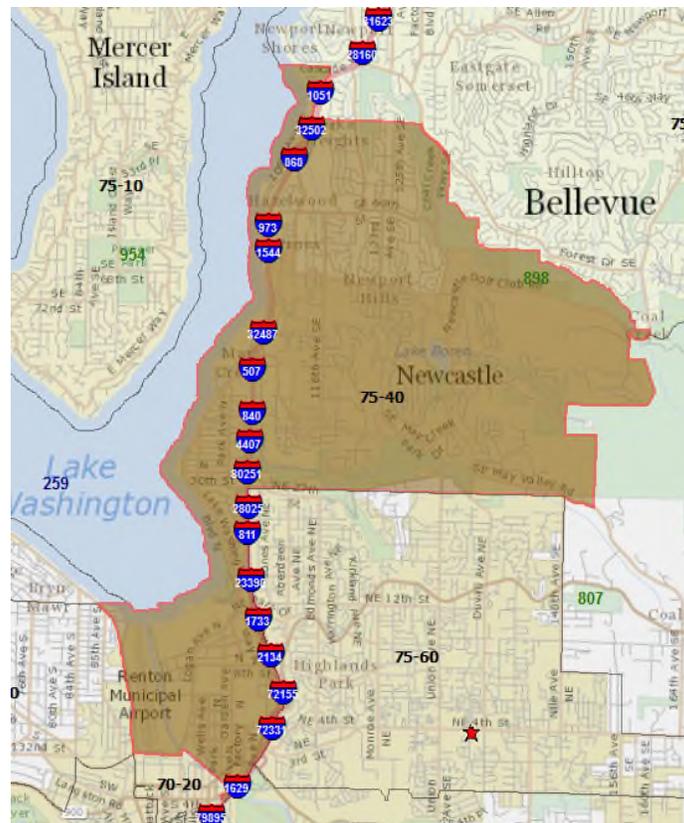
Remodel of existing building for child care center.

16007 NE 8th St., Bellevue

Neighborhood 75-40 – Newport/Newcastle/Kennydale and Renton Landing

Boundaries:

- North – Newcastle Beach Park all the way east to Coal Creek Park
- South – Airport Way all the way east to N. Riverside Dr.
- East – Coal Creek Natural Area, south to China Creek Open Space and then I-5 south to the Cedar River.
- West – Lake Washington all the way south to Rainier Ave North



Neighborhood Description:

Neighborhood 40 includes the city of Newcastle, Newport Hills, the remaining portion of south Bellevue, Kennydale and the Renton Landing. Each of these neighborhoods represents a distinct market within the south and east portions of the Suburban Bellevue market.

The Newport area includes two distinct communities – the Newport Hills/Lake Heights neighborhoods located east of Interstate 405 and the Newport Shores district resting parallel to Lake Washington Shore, west of Interstate 405.

Newport Shores is built around strings of man-made bays. Boating and Lake Shore activities are prominent in this area. Expensive homes and condominium complexes are settled towards the waterfront.

Newport Hills was annexed by the City of Bellevue in 1992. It was largely developed in the 1960's and 1970's and consists mostly of residential housing with apartments and condominiums. Newport Hills is separated from I-405 by steep ravine hills. To the east, the neighborhood is bordered by the 146-acre Coal Creek Natural Area. It covers an area between Coal Creek and Lake Washington.

Newport Hills only neighborhood shopping center was hit hard during the last recession era. Losing Albertson, Red Apple (their only neighborhood grocery), a pharmacy, the Hallmark store, the Bank of America, and other smaller line retail businesses have created a ghost town feel in this small community. In 2009, the city set-up a task force to help and work with the residents and business owners in the Newport Hills area in order to come up with ideas for development as the shopping center continues to suffer high vacancy rates.



Image of Newport Hills Shopping Center

As the retail economy is seeing major re-bounce to almost all neighborhoods in this geographic area; Newport Hills Shopping Center on the other hand is not quite so fortunate. During the 4th quarter of 2013, Bill Pace Fresh Fruit & Produce and Café Pace opened its business, filling-up the empty spaces vacated by the neighborhood pharmacy and Hallmark. But just before the end of the 2nd quarter of 2015, not quite reaching the 2nd year anniversary, Pace Fresh Fruit & Produce and Café Pace closed its' doors for business citing lack of business support from the community.

The center did have a positive development recently as Resonate Brewery and Pizza opened its doors in the fall of 2015 and occupies the vacated long time tenant, Perry Co Chinese Restaurant located adjacent to the former Red Apple. The majority of Red Apple's former location is still vacant since they left in 2009; a small portion is occupied by a Martial Arts studio and Stod's batting cages just relocated from across the street. Cloud 9 Burger took the former Herfy's Burger spot which was originally built for Dairy Queen.

Although Newport Hills and Newport Shores are not as vibrant as the other parts of Bellevue in terms of new constructions, the City of Newcastle on the other hand is thriving well with an influx of new multi-family homes, retirement homes, and single family residences. The former mobile home park situated on the north side of Lake Boren is now 56 townhome units.



A new \$5.8M, 11,000 SF Newcastle Library

King County Library built a brand new Library on tax lot 282405-9155 and they sold -9153, an unwanted excess land to Sol Terra Newcastle, LLC in September of 2014. Sol Terra Newcastle broke ground on their LEED Platinum - designed building in July 2015. The building will consist of 98 apartment units above a 2,000 sqft retail building.

The former Mutual Materials brick plant, a 53 plus acre site, was sold for \$25 million in January of 2015 after it was listed for sale in February of 2012. Although the transaction closed and recorded 3 years after it was listed, an application for a multi-family residence (mixed-use residences) development was submitted to the City of Newcastle in November of 2013. With nearly 30 acres of usable area, (eliminating the sensitive areas such as wetland, streams, and topography issues) it is the largest parcel of developable land in the neighborhood if not the entire Newcastle and Bellevue areas. This is exciting news for Newcastle given what the development could bring to the area.



Avalon Bay Communities, has proposed 900 residences ranging from high end single family townhouses to midrise apartment residences and 49,000SF of restaurants and shopping are slated for the area.



Rendering courtesy of Avalon Bay



Rendering courtesy of Aegis Living

Besides the single and multi-family development occurring in the City of Newcastle, a new retirement home is also on the horizon. Aegis Senior Living, a retirement community catering to Chinese and Chinese Americans, will be a 5-story 110 unit Assisted Senior Living and Memory Care Provider located on Lake Boren. The proposed opening is summer of 2017.

In addition to the Newport/Newcastle portion of 75-40, this year Kennydale and portions of Renton including the Renton Airport, The Landing, and all properties North/Northeast of the Cedar River to I-405 border have been merged into the neighborhood. Some of the major commercial properties in this area include the Virginia Mason Athletic Center (the Seahawks training facility), Boeing and Paccar facilities. This is a unique area, with differing markets as the core of downtown Renton is to the south and the Renton Highlands are to the east.

The Kennydale neighborhood is mostly older, single family residential homes on the hillside and newer million dollar homes along the shores of Lake Washington. Aside from the Virginia Mason Athletic Center, the Kennydale neighborhood is mostly comprised of small businesses serving the community.

Two new commercial building projects are in development in the Kennydale area at the moment:

- **Veterinary Clinic**

A 2 story, 9,000 sf Vet Clinic is under construction right off of exit 7, east of 405. It is projected to be complete in the summer of 2016.

- **Port Quendall Terminals**



Port Quendall Terminals announced the latest potential mix for its development; 692 residential units, 30,600 square feet of retail and restaurant space, and nearly 2,200 parking stalls. The highest building will be seven stories tall. The site is a large, 21 acre redevelopment of a Superfund site on Lake Washington in Renton, just south of the Seahawks Headquarters. The owners have spent over \$7M

cleaning up the site. Due to the extent of contamination, the clean-up is still a long ways to realize.

In the Renton Landing neighborhood, commercial market activity is thriving with continued occupancy at The Landing, a 68 acre newer lifestyle center which includes an LA Fitness center, Target Store, Dick’s Sports, TJ Max, Staples, Regal 16 Cineplex, restaurants, and clusters of line retail stores. It also includes two apartment buildings totaling 880 units combined. The Landing was the remnant of the former Boeing property, which in 2005 downsized their operation in Renton.

Besides the revitalization happening in the Downtown Renton core, this neighborhood is experiencing robust commercial development. The following are either current new constructions and/or renovation/remodels of existing structures:

- **South Lake Washington Revitalization**



South Lake Washington revitalization will include construction of several new hotels operated and managed by Legacy Hotel, Residence Inn by Marriott, and Southport Hotel. Residence Inn by Marriott and Hampton Inn by Hilton Legacy Hotel – began construction in 2015. They will add 250 hotel rooms between Gene Coulon Memorial Beach Park and the Boeing Renton Plant. *(Image on the left courtesy of City of Renton)*



Hampton Inn – located on 1300 Lake Washington Blvd will be completed late in 2016. It will include 105 rooms and 96 structured parking stalls. *(Image on the left)*

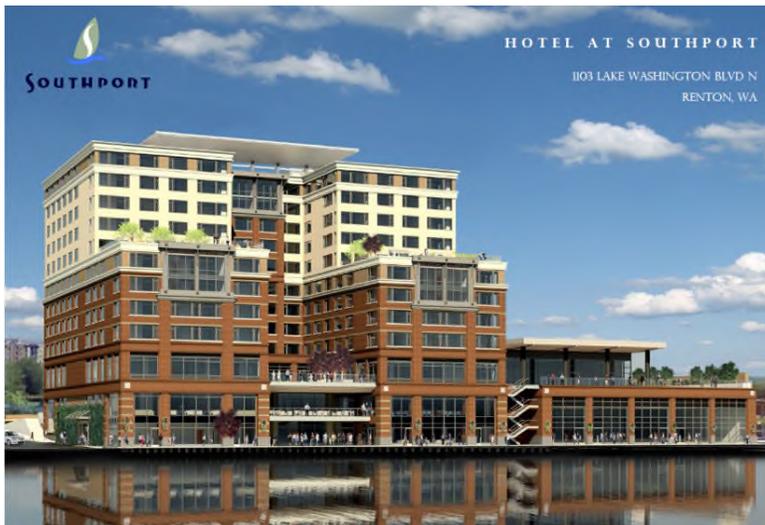


Residence Inn by Marriott - To be completed late in 2016; will includes 145 rooms and 116 structured parking stalls. *(Image on the left)*

- **Southport**



Southport is a mixed-use development consisting of 750,000 square feet in three nine-story towers. It will include Class A office space, a luxury hotel, retail shops, a waterfront special events site and restaurants. It is situated on a 17.5 acres lot along the shore of Lake Washington, between Gene Coulon Beach Park and the Boeing Renton Plant.



Construction of a 12-story, 347 room luxury waterfront hotel at Southport started in October of 2014 with expected completion in February, 2017. It is located between the Boeing Renton plant and The Bristol Apartments on the shores of Lake Washington. It will include restaurant, spa, executive meeting rooms, VIP lounge, convention center, indoor swimming pool & Jacuzzi, and indoor/outdoor exercise equipment.





The Southport office complex is a state of art center gear towards high tech tenants. It will consist of three nine-story office towers with a total of 724,520 gross square feet area of office use and 10,400 square feet of retail use. Builders broke ground in January 2016 with estimated occupancy as early as December, 2017. (Rendering images courtesy of SECO's)

- **Ace Aviation**



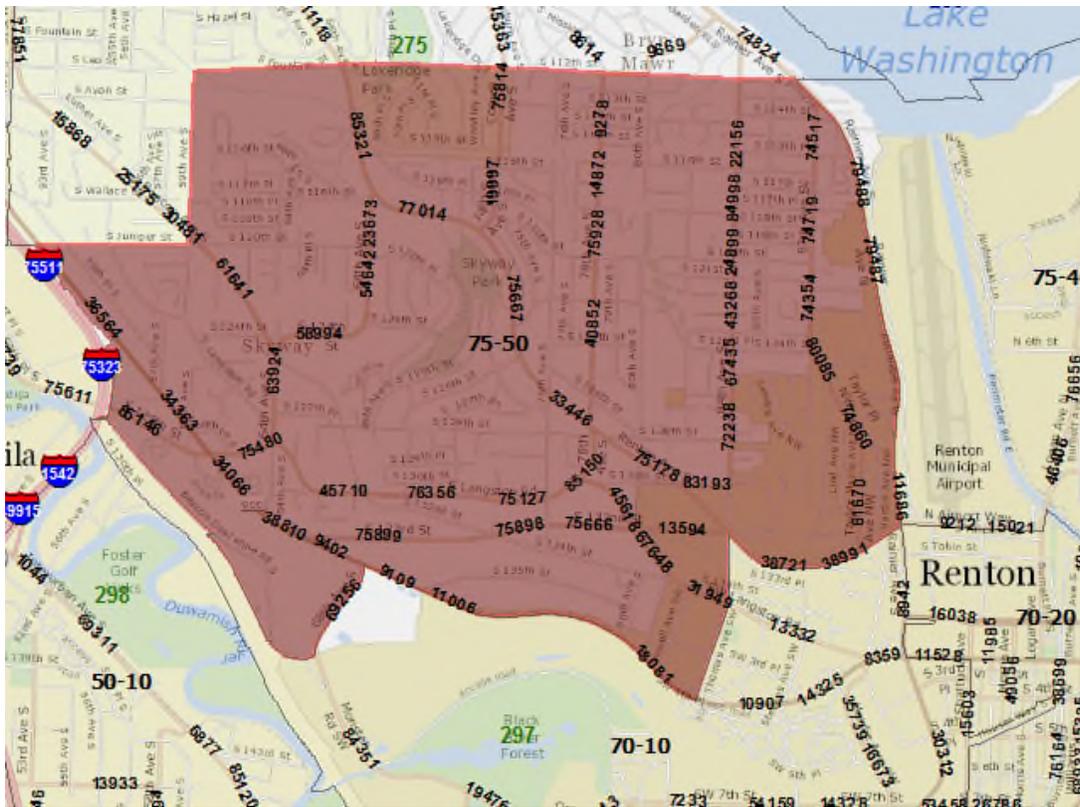
Ace Aviation is in the process of adding 31,000 sf of space as well as remodeling their existing building. The addition will feature shop and painting space as well as office space. The building is located at 616 W Perimeter Road at the Renton Airport.

Photo courtesy of Ace Aviation Inc.

Neighborhood 75-50 – Bryn Mawr - Skyway

Boundaries:

- North – S 112th St
- South – S 132nd St to 68th Ave S
- East – Rainier Ave N
- West – I-5 to 59th Ave S



Neighborhood Description:

The Skyway neighborhood is located within unincorporated King County, and occupies an area which extends to the borders of Seattle, Renton, and Tukwila. The neighborhood name historically stems from its proximity to a hill between the Renton Airport and the King County International Airport (Boeing Field). Primary access is via Renton Ave. S, Beacon Ave. S. and Martin Luther King Jr. Way S. Commercial uses are predominantly retail, service, and apartment, and are concentrated along Renton Ave S, the major commercial corridor which meanders through this neighborhood. Newer construction has been limited to public school and administration buildings as well as private development of multi-family housing along Martin Luther King Jr. Way S. in the southwest corner of the neighborhood.

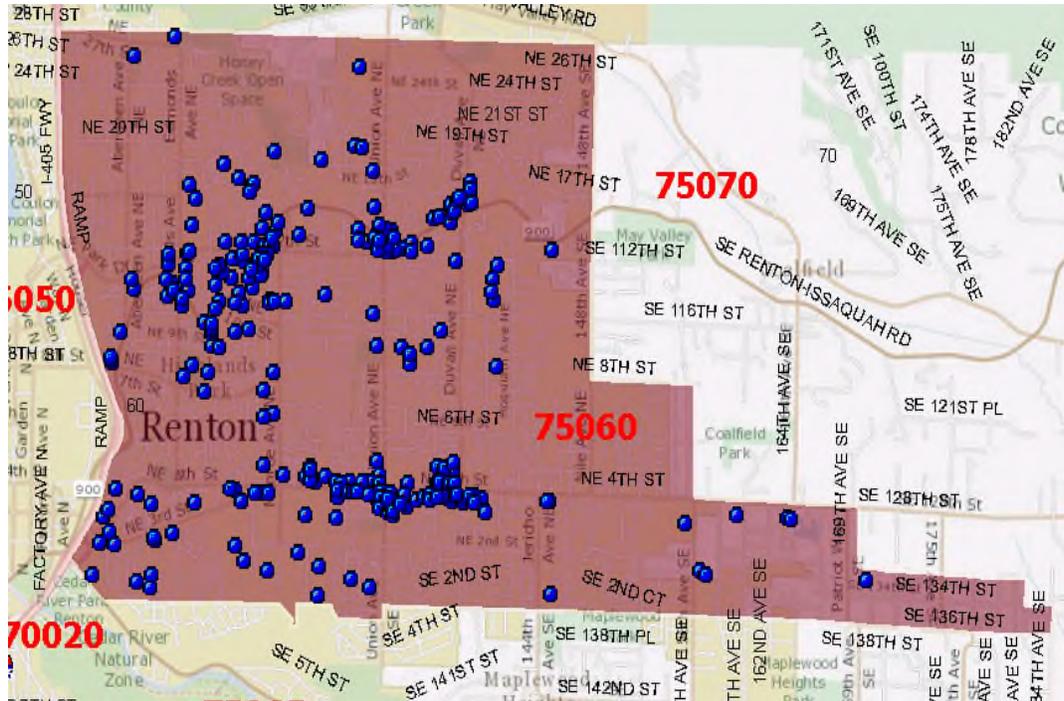
Skyway has limited commercial and retail development compared to surrounding areas. A few national retailers or service providers are located in adjacent neighborhoods (Rainier Valley, Renton, SODO, and Tukwila). Storefronts are typically owner occupied or leased by small businesses, i.e. barber shops, sewing shops, thrift shops, auto service and parts stores, neighborhood churches and small grocery stores. The commercial neighborhood is also predominantly surrounded by residential communities: Bryn Mawr, Lakeridge, Skyway, Earlington, Campbell Hill, Panorama, Skycrest, and Top Hill. A Westhill annexation effort to the city of Renton was voted down by the residents several years ago. Subsequently, the area continues to rely on services provided by unincorporated King County. The neighborhood also experienced limited commercial development as compared to surrounding neighborhoods.

A new King County Library is under construction in the neighborhood. Otherwise, no major commercial developments are underway in the Bryn Mawr – Skyway neighborhoods.

Area 75-60 – Renton Highlands

Boundaries:

- North – NE 28th Street
- South – SE 2nd Place to Evergreen Drive all the way to NE 1st Street
- East – Urban Growth line
- West – Interstate 405



Neighborhood Description:

This neighborhood covers the Renton Highlands business districts along Sunset Boulevard and NE 4th Street. This area has a great deal of commercial properties consisting of retail, restaurants, industrial sites, and an abundance of multi-family units. Many of the newer residential developments in Renton are in this area. Dated commercial buildings are prominent along Sunset Boulevard. Although vacancies are low and the area has a high traffic count, this section is no longer the primary commercial center for the Renton Highlands.

The new 15,000 square foot library is nearly complete. It is located on a Renton Housing Authority owned parcel near Sunset Blvd and Harrington. This location will have a presence on the main arterial. The Sunset Terrace, with 100 units of low income housing, resided at this location before demolition began in the summer of 2015. The city is a finalist for a HUD grant worth up to \$30 million to fund the redevelopment of this 49 year old, 7.3 acre community. The plan is to redevelop it into as many as 100 energy efficient, mixed income units, and will allow for other improvements along this corridor. The Renton School District just completed a \$30M Early Childhood Learning Center named Meadow Crest located at 1800 Index Ave NE. It will replace the Hillcrest School that was on the site. The city is planning to build a pedestrian

walkway connecting the Highlands to the Landing. It will go under the freeway to eliminate the current I-405 barrier connecting the neighborhoods.

Northeast 4th Street is the newer, more desirable shopping and commercial center with high-end grocery stores, coffee houses, and other retail services to benefit the residents of many single-family homes, condominiums, and apartments in this area. There was a new Firestone Tire Center built off NE 4th adjacent to the Safeway Center and a new mixed-use condo project just south of NE 4th St. with retail/office that will occupy the bottom floor. The City of Renton's Highlands Task Force continues to assess development potential for the Renton Highlands area (both the Sunset Boulevard and NE 4th Street corridors). There is also a planned phase-in of street widening on NE 4th Street in the Highlands area but it has not broken ground.

• **The Sunset Area Community Revitalization Program will include the following developments:¹¹**



*Complete Streets upgrades to NE Sunset Boulevard and other local streets which includes improvements to storm water drainage systems

*New and rehabilitated parks and recreation facilities

*New King County public library

*Better connections to support services for public housing residents

*Sustainable infrastructure

*Bike and walking paths

*Sunset Terrace public housing (see rendering image from the previous page) will be redeveloped

to include new residential units with a mix of public, affordable, and market-rate homes. It will also have a potential capacity for an additional 2,300 new dwelling units and 1.25 million square feet of service/retail space in the 269-acre neighborhood over the next 20 years.



New early childhood learning center

Meadow Crest Early Learning Center – Picture from Rentonhousing.org

¹¹ City of Renton

Neighborhood Description:

This neighborhood covers the Benson Hill, Fairwood, and Panther Lake areas of Renton, Kent, and portions of unincorporated King County near Highway 169. This area offers primarily residential living with neighborhood shopping centers, small office buildings, medical office buildings, schools, and churches. This is the most southern portion of Area 75 and still has large tracts of vacant land and timber among the residential housing.

In the Benson Hill area, there are a number of medical offices adjacent to the Valley Medical Center. Valley Medical inked a new deal with UW Medicine and is now co-branded as UW Medicine Valley Medical Center.



The new CVS Pharmacy opened its doors for business August of 2014 from the former site of Valley Hill Plaza Shopping Center; on the northwest corner of SE Carr Road and Benson Drive, a major intersection. This is the first of three planned CVS stores in the State of Washington; Burien and Poulsbo are next on their list.

McDonald's fast food chain relocated to a brand new building adjacent to CVS and abandoned its former location of more than 20 years located less than a quarter of a mile south of Benson Road. Just like McDonald's Restaurant, Wendy's Restaurant built their new high tech modern brand new building right across from CVS. It was the former site of Shari's restaurant, which was demolished to make way for Wendy's. Wendy's was the first to move out of their former location of more than 20 years which is adjacent to McDonald's former location. Since the State of Washington Dept. of Transportation removed the middle right/left turn lane along Benson Road (SR 515) and built a barrier, several Quick Service Restaurants lined-up along this stretch of the road complained that their business experienced a slowdown after this traffic changed.



(Image above courtesy of King County Housing Authority)

At the end of 2015, the King County Housing Authority was expected to complete *Vantage Point*, a 77-unit apartment development for low-income seniors in Renton. The \$18 million project is located next to the North Benson Shopping Center in the Benson Hills neighborhood. It will have 72 one-bedroom and five two-bedroom apartments.



Image Courtesy of Renton Housing Authority

La Fortuna is a new multi-family development project by Habitat for Humanity located in Renton which will be built in four phases; construction on the first 11 homes began in the winter of 2011. These townhomes will be built in a total of eight buildings varying in size from three to nine units each. La Fortuna is located in Renton's Benson Heights neighborhood, off Petrovitsky Road in an area zoned Residential Multifamily. Half of the site will be dedicated to open space. The four phases will include 41 homes when complete in 2016.

Eagle Ridge apartment is a new development which was completed in July 2015. These are two 4-story buildings with a total of 117 apartment units. The southernmost building has 61 residential units and 4,039 square feet of office use on the ground floor. And the northernmost building has 56 residential units.



A proposed multi-family apartment development called Fieldbrook Commons containing 162 units will be built on three parcels totaling 10.77 acres. It would be comprised of 13 separate multi-family building structures and one recreation building, totaling 183,795 square feet. The subject site is located at 17040 108th Avenue SE, Renton.

On the Maple Valley Highway at 152nd, the new Cedar River Station is under construction and will have 21,700 square feet of retail. This is three retail buildings plus a Chevron Gas Station located on SE Maple Valley Highway (SR 169) and 152nd Ave SE. (Rendering image below courtesy of Cedar River Developer)



Fairwood Library just completed a total renovation and had the grand opening in October of 2014. (Rendering image on the left courtesy of King County Library)

A new Self-Storage on 11024 SE 208th St, Kent opened its doors for business on December of 2014. It's comprised of three buildings, a two story (with elevator) indoor access self-storage, a drive-up access self-storage facility, and an office/retail building.



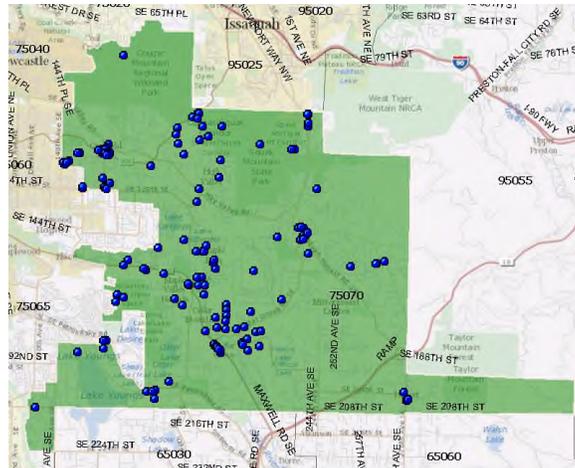
Photo obtained during site inspection

A substantial remodel was completed in 2015 on the Inspired Medical Building. The update brings the building up to a modern look and functionality. The building is located on 10915 SE 176th St.

Area 75-70 – Cedar Basin/May Valley

Boundaries:

- North – Cougar Mountain Regional Park all the way east to Squak Mountain State Park
- South – SE 208th Street
- East – West Tiger Mountain to 276th Ave. South to Taylor Mountain Forest
- West – Urban Growth line



Neighborhood Description:

This neighborhood represents the other unincorporated section of Area 75. Geographically it is large, but it has limited developed commercial properties. Commercial properties in this neighborhood are mining, greenhouse/nurseries, Mobile Home parks, churches, camps grounds, sports facilities, service buildings, taverns, restaurants, and some retail that cater to the local residents. Some large tracts of parcels are used for mining or other natural resources extractions.

This neighborhood is outside of the urban growth line and thus limits any potential developments from happening. As such, no new development has sparked in this neighborhood currently and in the past year.

Physical Inspection Identification

WAC 458-07-015 requires each property to be physically inspected at least once during a 6 year revaluation cycle. At a minimum, an exterior observation of the properties is made to verify the accuracy and completeness of property characteristic data that affect value. Property records are updated in accordance with the findings of the physical inspection.

Areas 75-10 and a portion of 75-20 were physically inspected for the 2016 Assessment Year as required by WAC 458-07-0154(a). These inspection areas comprised of 198 parcels, or approximately 14.73% of the 1,344 total parcels located in Area 75 (not including specialty parcels and government owned properties). A list of the physically inspected parcels and an identifying map are included in the addendum of this report.

Scope of Data

Land Value Data:

Vacant sales from January 2013 through December 2015 were given primary consideration for valuing land. Thirty two arm's length land sales closed during this period in Area 75. Historical sales included in previous reports were also considered to provide additional perspective on land values in the area. The sales verified as "good" were coded "Y" in the Assessor's records. Multi-parcel sales were also considered after combining the various aspects of all parcels involved in the sales.

The primary unit of comparison considered was based on price per square foot of land area. "Shell" sales, interim use sales, tear down sales, and land transactions that included plans and permits were considered in the analysis of the land values. The comparative sales approach generally is considered the most reliable method for land valuation. Zoning, location, and site size were primary variables considered in the valuation process. Changes were made based on recent land sales and to achieve equalization in neighborhoods in accordance with zoning, size and location. In the absence of sales in a neighborhood, sales in other similar neighborhoods were considered. Appraiser judgment prevails in all decisions regarding individual parcel valuation. The appraiser determines which available value estimate may be appropriate and may adjust for particular characteristics and conditions as they occur in the valuation area.

Improved Parcel Total Value Data:

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

Land Value

Land Sales, Analysis, Conclusions:

Area 75 has experienced upward overall trends in land value as well as an increase in sales transaction volume. There are thirty three verified good commercial land sales that have occurred during the last three years and were utilized for the 2016 revalue. This is a 29% increase over the twenty four previously verified sale transactions utilized for the 2015 revalue. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. In some neighborhoods, new commercial development sites were created through the demolition of existing single family residences located on commercially zoned lots and through the demolition of older commercial buildings. For land valuation purposes, the assessor used GIS (Geographic Information System) as the primary tool to establish new assessed land values.

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

Area 75 has seen a significant number of land sales transactions during the last three years. Market evidence has shown that land values in some neighborhoods continue to rise.

Overall, the recommended land values for the 2016 assessment year result in an increase from the 2015 assessment of 4.24%. Properties on Mercer Island, East Bellevue, Lake Hills and the City of Newcastle were among the neighborhoods with land value increases. The total recommended assessed land value for the 2016 assessment year is \$3,909,588,800. The chart below is the breakdown of the total land values by neighborhood and includes all taxable and nontaxable parcels in Area 75.

| Change in Assessed Land Value by Area | | | |
|---------------------------------------|------------------------|------------------------|--------------|
| Neighborhood | 2015 Land Value | 2016 Land Value | % Change |
| 75-10 | \$564,943,900 | \$588,690,200 | 4.20% |
| 75-20 | \$1,164,800,800 | \$1,206,014,100 | 3.54% |
| 75-35 | \$271,401,300 | \$290,889,620 | 7.18% |
| 75-40 | \$709,279,300 | \$757,591,900 | 6.81% |
| 75-50 | \$99,793,600 | \$101,765,900 | 1.98% |
| 75-60 | \$275,739,500 | \$283,849,400 | 2.94% |
| 75-65 | \$612,611,200 | \$627,656,400 | 2.46% |
| 75-70 | \$52,139,800 | \$53,131,300 | 1.90% |
| Total | \$3,750,709,400 | \$3,909,588,800 | 4.24% |

Neighborhoods and Sales

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

The assessor used recent historic sales (three years) and GIS (Geographic Information System) as the primary method of establishing new assessed land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. The assessor also used location influence, zoning, lot shapes, sensitive area impacts (i.e. wetlands, streams, creek, topography, etc.), and lot size as an indicator for setting land values. In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. The Sales Comparison approach to valuation was considered the most reliable and was utilized in the land valuation model. For the most part, values were estimated as a price per square foot. Smaller lots were valued using site value as recognized by the market. Assessed Land Values are based on land sales of properties with the same zoning or similar development potential. Adjustments for topography, location, size, irregular shape, major power lines, streams, wetlands, and other such influences were considered.

A list of vacant land sales used and those considered not reflective of market (Sales Not Used), are included in the addendum section of this report.

Area Overview

Since the beginning of 2013, there have been a total of thirty three commercial land sales throughout Area 75 that meet the requirements of a fair market transaction.

Area 75-10 Mercer Island

Over the past decade, downtown Mercer Island has undergone major transformation where commercial space and multi-family units were created. Since 1/1/2013 to 12/31/2015, there were only two land sales in this area.

| Parcel Number | Sale Date | Sale Price | Lot Size | Zoning | Neighborhood | Price / SQ FT |
|-----------------------------|-----------|-------------|----------|--------|--------------|---------------|
| 531510-0505 | 9/29/14 | \$8,653,356 | 82,020 | TC | Downtown | \$105.50 |
| 531510-0986; 531510-0995 | 12/27/13 | \$2,350,000 | 51,281 | MF-2 | Downtown | \$45.83 |



Parcel 531510-0505 (E# 2692722): Although it was not exposed to the open market, as the buyer approached the seller, this sale was an arms-length transaction. The contract date was in February 2013. Although the Hudson Center was improved with older buildings (retail and restaurant) this was considered a land sale with a teardown for redevelopment. In October of 2014, construction began of a 209-unit luxury apartment known as The Hadley Apartment with underground parking for 244 cars in addition to four commercial spaces

Parcel 531510-0505

totaling 9,200 square feet at ground level. Currently, it is the only major development on Mercer Island. The moratorium on development in the Town Center zoned portion of the island (in effect from February 2015 – June 2016) could be preventing the initiation of other projects.



Parcel 531510-0986 and -0995 (E#2649536): Sold to a builder for \$45/SF. 18 townhome units are planned despite topography issues. This equates to \$130,555/unit. This parcel is zoned MF-2, a Multi Family zoning. It is currently assigned to the Commercial Appraisal group but will be transferred to residential if/when townhomes are built. Despite the likelihood that this parcel will eventually be transferred to Residential, this sale is still a great indication of commercial land values in the area.

Parcel 531510-0986/0995

Land values for usable commercially zoned parcels on Mercer Island are typically between \$45 and \$105 per SF.

Area 75-20 South Bellevue/Factoria/I-90 Corridor

This neighborhood intersects Interstate 90 and 405, two major freeways. Although it is located in a highly sought after location, very few vacant land transactions have occurred in this neighborhood in the previous years. One sale has occurred in Area 75-20 from 1/1/2013 to 12/31/15; therefore land sales from adjacent areas have been utilized to supplement.

| Parcel Number | Sale Date | Sale Price | Lot Size | Zoning | Neighborhood | Price/SQ FT |
|--------------------|-----------|-------------|----------|--------|--------------|-------------|
| 162405-9032; -9046 | 2/13/2015 | \$2,900,000 | 106,674 | R-20 | 75-20 | \$27.19 |

Parcel 162405-9032/9046 (E#2714859):

This is a multi-parcel sale with -9032 and -9046. Both properties were purchased at the same time for a total sale price of \$2,900,000. Buyer intended to break ground in late 2015 in building 24 luxury townhomes. Purchase was funded by an investment group.



Parcel 162405-9032/9046

Land values for usable commercially zoned parcels along the I-90 Corridor are between \$15 and \$47 per SF. Supporting sales for this market area are the adjacent areas; Area 80 (Bellevue/Crossroads) to the North and Area 95 (Issaquah) to the East. Sales in the adjacent areas were also considered as supporting indicators of land value for this neighborhood. These sales range from \$4 to \$99 per square foot.

Area 75-35 East Bellevue/Lake Hills to Crossroads

This neighborhood encompasses areas in East Bellevue, Lake Hills, and Crossroads which abuts Area 80 to the north. Since 2013, area 75-35 has had no land sales. Therefore sales in the adjacent areas affected the land values in this neighborhood.

Supporting sales from adjacent market areas that were used for neighborhood 20 and 35 are listed on the following grid:

| Parcel Number | Sale Date | Sale Price | Lot Size | Zoning | Neighborhood | Price / SQ FT and Comments |
|---|-----------|--------------|-----------|-------------------------|------------------------------------|--|
| 064580-0110 | 11/20/15 | 1,070,000 | 14,965 | BR-MO | BEL-RED (80-70) | \$71.50 (Multi-parcel sale) |
| 939970-0900 | 11/20/15 | 3,100,000 | 74,487 | LI (Light - Industrial) | South of downtown Bellevue (80-90) | \$41.61 |
| 332506-9025 | 5/8/15 | 500,000 | 21,780 | TC A1 | Sammamish (95-10) | \$22.95 |
| 332506-9064 | 3/26/15 | \$1,052,000 | 44,431 | TC A1 | Sammamish (95-10) | \$23.67 |
| 332506-9106 | 6/2/15 | 3,016,530 | 120,661 | TC B | Sammamish (95-10) | \$25.00 |
| 222406-9002 | 9/25/15 | 2,550,000 | 95,832 | MF-M | Issaquah (95-20) | \$26.61 (Retirement home planned) |
| 282406-9031 | 3/31/15 | 540,000 | 10,320 | CBD | Issaquah (95-25) | \$52.32 (10% unusable – stream) |
| 884430-0035 | 10/15/15 | 1,613,330 | 39,600 | MUR | Issaquah (95-25) | \$40.74 |
| 282406-9248 | 6/17/14 | \$5,000,000 | 265,141 | MU | Downtown Issaquah (95-25) | \$25.89/SF usable area; \$18.86/SF including unbuildable stream area |
| 282505-9300 | 6/3/14 | \$1,750,000 | 20,149 | BR-RC-2 | Mid-Lakes (80-70) | \$86.85 |
| 363025-0120 Multi-parcel sale of 7 parcels | 12/16/13 | \$14,380,000 | 449,567 | UV | Issaquah Highlands (95-20) | \$31.99 |
| 363025-0010 Multi-parcel sale of 3 parcels | 12/6/13 | \$6,000,000 | 188,978 | UV | Issaquah Highlands (95-20) | \$31.75 |
| 272406-9208 | 10/18/13 | \$54,000,000 | 1,721,116 | UV | Issaquah Highlands (95-20) | \$31.37 |
| 532800-0015 | 10/31/13 | \$3,450,000 | 34,997 | BR-MO | Mid-Lakes (80-70) | \$98.60 |
| 262505-9097; 262505-9038 | 9/13/13 | \$14,250,000 | 188,253 | BR-RC-3 | Crossroads (80-30) | \$75.70 |
| 282406-9043 | 9/10/13 | \$450,000 | 11,610 | MF-M | Downtown Issaquah (95-25) | \$38.76 |
| 272406-9084 Multi-parcel sale of 4 parcels | 9/3/13 | \$3,535,000 | 185,075 | IC | (95-20) North Issaquah | \$19.10 Irregular Shape, approx. 25% stream area |
| 254320-0015 | 7/3/13 | \$5,300,000 | 99,254 | OLB | Mid-Lakes (80-70) | \$53.40 |
| 222406-9157 | 7/1/13 | \$9,319,286 | 588,060 | UV-L | Issaquah Highlands (95-20) | \$15.85 |
| 884390-0521 | 6/12/13 | \$900,000 | 40,310 | MUR | Downtown Issaquah (95-25) | \$22.33 |
| 212406-9055 | 12/5/13 | \$1,475,000 | 41,760 | MU | North Issaquah (95-20) | \$59/SF usable area; \$35.32/SF including unbuildable stream area |

UV=Urban Village zoning

After analyzing the vacant land sales in nearby areas, both neighborhoods necessitate upward adjustments.

Area 75-40 Newport/Newcastle/Kennydale/Renton Landing

Six land sales have occurred in the Newcastle and the Renton Landing area in the last 3 years. These recent sales show that land values in this neighborhood warrant an upward adjustment to keep up with the market. There was no vacant commercial land sale activity in the Newport Hills and Kennydale areas. Sales from competing market areas as well as older sales were used in developing the land values for 2016.

There have been several commercial developments scattered along Southeast Lake Washington, the newest retail core in Renton called The Landing, and the old Renton neighborhood north of downtown just south of The Landing. While north of downtown is mostly developed with older single family residences that were either converted to office use or multi-family; and some are still currently used as single family residences either owner occupied or rented out. The Landing was the by-product of Boeing during the 2005 downsizing era. They sold approximately 20 acres to “The Harvest”, an out of state developer who solely developed the entire complex with theater, restaurants, line retail, and several anchor retail stores. They also allocated a section of the land for multi-family use and sold it to “The Fairfield”, a major apartment developer who built “The Sanctuary Apartments” and “The Reserve Apartments”.

Three major hotel developments and a convention center are underway in the Renton Landing Area adjacent to Gene Coulon Park that will add approximately 600 hotel rooms. Parcels 334450-0006 and 082305-9056 were sold as a multi-parcel sale in November 2014. The 140 room, Residence Inn is in the planning stages.

The Southport project on parcels 052305-9075 and 082305-9216 is the largest of the area hotel developments. Ground was broken in the fall of 2014 for this 12 story - 325 room Sheraton Hotel, with an additional 40,000 sf of meeting and convention space planned. This waterfront development is scheduled for completion in January of 2017.¹²

Vacant land values for usable commercially zoned parcels in this area range from \$13 to \$41 per SF.

¹² Renton Reporter

| Parcel Number | Sale Date | Sale Price | Lot Size | Zoning | Neighborhood | Price / SQ FT |
|---|-----------|--------------|-----------|--------|--------------|---|
| 272405-9006 272405-9040 282405-9099 | 1/9/15 | \$25,000,000 | 2,331,280 | MU-R | Newcastle | \$21.26 (Approximately 27 acres usable per Newcastle Planner) |
| 334450-0006 082305-9056 | 11/14/14 | \$1,500,000 | 124,691 | UC-N2 | Renton | \$33.33 (Only 45,000 of this multi-parcel sale is considered usable) |
| 282405-9153 | 9/5/14 | \$1,125,000 | 27,653 | CB | Newcastle | \$40.68 |
| 135230-1275 135230-1265 | 9/2/14 | \$295,000 | 14,859 | CA | Renton | \$19.85 (Multi- parcel sale) |
| 282405-9080 | 3/25/14 | \$1,400,000 | 40,769 | O | Newcastle | \$34.34 Triangular Shape, Major Power lines |
| 334450-0007 | 7/17/13 | \$750,000 | 55,002 | UC-N2 | Renton | \$13.63 with Topo issues |



Parcel 272405-9006, 272405-9040 and 282405-9099 (E# 2709354): The former Mutual Materials brick manufacturing site was purchased on January 9, 2015, by Avalon Bay for future development. The parcel has Mixed Use Residential (MU-R) zoning which allows for 75 foot building heights. It has several streams, topography, wetlands, and possibly Coal Mine Hazard impacts. According to Senior Planner (David Lee) at City of Newcastle about 27 acres is useable land. Which equates to \$21.26/SF useable land on the sale of \$25,000,000. A portion of the lot

Parcel 272405-9006, 272405-9040, 282405-9099

(90,610 sf of land on the east side of the parcel) is currently listed for sale on Loopnet for \$3,640,000 or \$40.17/sf. This is the sale offering for a new premier Retail Development at the main entrance to the exciting new Avalon Newcastle Master Planned Community. The project will include a proposed 760-900 new homes, in variety of housing options ranging from high end single family townhouses to midrise apartment residences.

Parcel 334450-0006 and 082305-9056

(E# 2701421): This multi-parcel sale occurred in November 2014 and is across the street from the Gene Coulon Park with a 140 room, Residence Inn in the planning stages. The parcels have easy access to I-405, Boeing and The Landing as well.



Parcel 334450-0006, 082305-9056



Parcel 282405-9153

Parcel 282405-9153 (E# 2690731): This lot is flat and dry and centrally located in retail core of Newcastle. With 98 LEED platinum planned apartments above a 2,000 sf retail building. The parcel sold for \$1,125,000, this equates to \$11,480/unit or \$40.68/SF. Ground broke on the project in July of 2015.

Parcel 135230-1265 and -1275 (E# 2688628): Multi parcel sale. Buyer said they plan to tear down the improvements. It was listed on the market, but was bought by the neighbor. The two parties did not seem to know each other. Appears to be an arm's length transaction. Both parties report the buildings being in poor condition. Works out to \$19.85/sf land combined.



Parcel 135230-1265/-1275



Parcel 282405-9080

Parcel 282405-9080 (E# 2658886): This Office zoned parcel sold for \$34/SF. The property is triangular in shape and has large power lines crossing the west side of the property. This will likely limit development on that portion of the parcel other than for parking or storage. The appraiser estimates that 80% of the parcel is usable until further information is submitted by the owner. The buyer intends to develop the property to an 80 unit Apartment building and will be called "Newcastle Way Apartments".



Parcel 334450-0007 (E# 2618894): The seller states that the original asking price was at \$3.25M in 2010 and the price dropped over time. They needed to cash out (as opposed to carrying a note for the buyer) and given the challenges of getting loans for land, this likely impacted the timeline and price. However, it was a good market sale with plenty of market exposure. Excavation is underway for a Hampton Inn – it will have approximately 110 rooms.

Parcel 334450-0007

Area 75-50 Bryn Mawr -Skyway

Bryn Mawr – Skyway lies in the unincorporated area between Seattle, Tukwila and Renton. Six commercial land sales have occurred in this area in the past 3 years. Commercial uses are predominately retail, service and apartment. The neighborhood is mature and very little new development is underway with the exception of Multi-family zoned parcel sales, which continue at a steady pace in the area.

| Parcel Number | Sale Date | Sale Price | Lot Size | Zoning | Neighborhood | Price / SQ FT |
|---------------|-----------|------------|----------|--------|----------------|---------------|
| 000140-0012 | 7/21/14 | \$90,000 | 18,552 | R24 | Skyway (75-50) | \$4.85 |
| 000140-0022 | 3/30/15 | \$260,000 | 35,220 | R24 | Skyway (75-50) | \$7.38 |
| 132304-9071 | 9/1/13 | \$35,000 | 12,786 | R24 | Skyway (75-50) | \$2.74 |
| 142304-9006 | 2/19/15 | \$420,000 | 78,843 | R24 | Skyway (75-50) | \$5.33 |
| 956480-0170 | 12/4/14 | \$560,000 | 105,202 | CA | Skyway (75-50) | \$5.32 |

Parcel 000140-0012 (E# 2682364): The site was developed into overflow parking for an adjacent apartment project. This lot has been coded with topography impacts limiting the lot to an estimated 70% usable – this equates to \$6.93/SF.



Parcel 000140-0012



Parcel 000140-0022

Parcel 000140-0022 (E# 2721720): Cash sale, purchased as an investment. This is most likely a teardown sale, as the lot is zoned R-24. This triangular shaped lot has some topography. After estimating the effective usable lot at 70% of the total parcel, the lot effectively sold for \$10.54/SF.



Parcel 132304-9071

Parcel 132304-9071 (E# 2628837): There is an easement north of the subject site used by surrounding SFRs for ingress/egress, no improved access to S. 133 St, and steep grade at street level (curb), limit development potential of this site. Recent purchaser indicates wetlands issues along street boundary. Sale listing indicated 6 - 7 units, and would be offset with higher than normal site developmental costs.



Parcel 142304-9006

Parcel 142304-9006 (E#2715036): Zoned R24 although the lot is impacted by topography and has challenging access limiting the parcel to an estimated 70% of usable area. This equates to an effective \$7.61/SF.

Parcel 956480-0170 (E# 2705510): This was an arm's length transaction, publicly marketed. The property is raw land with some utilities. Property has sloping and wetlands on it.



Parcel 956480-0170

Area 75-60 Renton Highlands

This neighborhood is located on the hill above Interstate 405 south of Lake Washington and west of Newcastle. It is improved with a variety of commercial properties that mostly cater the residential and multi-family housing in this neighborhood.

There were eight commercial land sales in this neighborhood for the past three years ending 12/31/2015.

| Parcel Number | Sale Date | Sale Price | Lot Size | Zoning | Neighborhood | Price / SQ FT |
|---|-----------|-------------|--------------------------------|--------|--------------|---|
| 102305-9095 | 4/8/15 | \$215,000 | 83,429 | R-8 | Highlands | \$2.58 |
| 311990-0005 -0010, -0011 | 5/12/15 | \$275,000 | 38,910 | RM-F | Highlands | \$7.07 |
| 518210-0012 | 5/19/15 | \$945,000 | 73,694 | CA | Highlands | \$12.82 |
| 518210-0043 | 5/15/15 | \$700,000 | 31,243 | CA | Highlands | \$22.41 |
| 722780-1780 | 6/2/15 | \$347,548 | 18,292 | CV | Highlands | \$19.00 |
| 102305-9068 | 6/9/14 | \$274,000 | 24,095 | CA | Highlands | \$11.37 |
| 152305-9002; 152305-9178 | 12/8/14 | \$495,000 | 73,181 | CA | Highlands | \$6.76 |
| 518210-0020; 518210-0021; 518210-0022 | 9/19/13 | \$1,300,000 | 223,076 (119,512 usable) | CA | Fairwood | \$10.88/SF usable area; \$5.83/SF including unbuildable wetland area |



Parcel 102305-9095 (E# 2723697): Purchaser intends to build 2 residential homes. The parcel is raw land and is encumbered by wetlands on "1/2 or more" of the lot, per purchaser. Listed on the market for 8 months, first listed at \$279,000.

Parcel 102305-9095

Parcel 311990-0005, -0010, -0011 (E#2730434): The property was listed for approximately 10 years. It was a cash purchase. The buyer intends to build townhomes, per neighbor.



Parcel 311990-0005



Parcel 518210-0012

Parcel 518210-0012 (E# 2734115): Multi-parcel sale: 518210-0012 is the primary parcel and has a low value building on it, -0011 has a tear down building and -0014 is vacant.

Parcel 518210-0043 (E# 2732429): Property was listed for 2 years. Seller allows 9 months to close and 6 months option to extend. Buyer intends to build a daycare center. Lot is flat and dry.



Parcel 518210-0043

Parcel 722780-1780 (E#2736372): Lot is flat and dry. No response from city of Renton Housing Authority on their plans for the site.



Parcel 722780-1780

Parcel 102305-9068 (E# 2673054): Property for sale for 13.5 years. The seller said the city would like the West 15 feet wide by 243 feet long of the property for road widening when development is under way. There has been confusion over the years whether there are wetlands on the property. Buyer said they are studying the best way to redevelop the property. The lot is estimated at 75% usable or \$15.16/SF.



Parcel 102305-9068



Parcel 152305-9002 and -9178 (E# 2705579): Property was listed but was purchased by an adjacent property owner. Purchase price was established about a year prior to the closing date. Seller unsure of the amount of area impacted by wetlands. It is estimated at 50% unusable which would equate to \$13.52/SF

Parcel 152305-9002

Parcel 518210-0020, -0021, -0022 (E# 2633588):

Per Co-Star it was an REO sale from one bank to another. It was listed for several years by CBRE. Given that most land in this area sells for over \$20/SF, the value appears low. When counting the usable area (119,512/SF) between the three parcels, it comes out to \$10.88/SF which is half of the market rate for zoning of this type. It appears the drainage pond must be brought up to new storm water standards (enlarged) and this had a domino effect on the potential development of the property including how wide the turnaround could be at that point of the property. There were four solid developer offers that ended up falling through given the limitations of the shape, the drainage pond, etc. Ultimately Washington Federal bought it for a branch that will be located in front and they are partnering with someone to develop 16 units of multifamily on the rear of the lot.



Parcel 518210-0020

Area 75-65 Benson Hill/Fairwood/Panther Lake/Cedar Valley

This neighborhood is located southwest of Renton just above the hill of the hospital district, the UW-Valley Medical Center, east of Highway 167 and west of Highway 169. The Benson Hill area has been particularly active for the past couple of years. Several land sales have occurred that triggered the developments of multi-family apartment complexes, Retail, and Fast Foods along Talbot Road and Carr Road. New CVS Pharmacy Store, McDonald's restaurant, and Wendy's were recently completed in 2014.

Commercially zoned parcels sold for \$5 to \$41 per SF, multifamily zone parcels sold for \$2.80 to \$22 per SF depending on location, lot size, topography, etc.

There are seven commercial land sales that occurred in this area. One additional sale of multi residential parcels is included in the table below and was used in the analysis of similar zoning in this neighborhood.

| Parcel Number | Sale Date | Sale Price | Lot Size | Zoning | Neighborhood | Price / SQ FT and Comments |
|---|-----------|-------------|------------------------------|--------------------|--------------|---|
| 292305-9009 | 11/23/15 | 1,430,000 | 164,828 | RM-F | Benson Hill | \$8.67 |
| 272305-9049 | 6/15/15 | \$205,000 | 73,180 | R18 | Fairwood | \$2.80 |
| 292305-9042 | 2/23/15 | \$1,850,000 | 76,615 | CA | Fairwood | \$24.15 |
| 052205-9079 | 2/25/14 | \$250,000 | 50,077 | MR-M | Panther Lake | \$4.99 |
| 202305-9131; 202305-9119 | 9/27/13 | \$685,000 | 79,589 (66,803 usable) | CA | Fairwood | \$12.12/SF usable area; \$8.61/SF including unbuildable topo area |
| 292305-9125 | 9/4/13 | \$5,400,000 | 131,339 | CA | Fairwood | \$41.11 |
| 312305-9090 | 9/5/14 | \$985,000 | 44,866 | RM-F | Talbot | \$21.95 |
| 008700-0070; 008700-0075; 008700-0080; 008700-0081 | 5/6/14 | \$1,370,000 | 182,710 | R-8 Residential | Benson Hill | \$7.50 (Residential Area 30-2) |



292305-9009

Parcel 292305-9009 (E#2768843): Property was listed for 3-4 years. Sale price was determined by market analysis. This was a cash purchase, no concessions. Buyer intends to develop the property into apartments, per buyer.

Parcel 272305-9049 (E# 2738491): Property was listed for several years. Purchased below list price, per seller. Buyer's intentions unknown. Wetlands impact the lot and approximately 31% is usable or \$9.03/ SF



Parcel 272305-9049



Parcel 292305-9042 (E# 2716065): The applicant is requesting hearing examiner site plan review, conditional use permit, and environmental (SEPA) review for the construction of a new 55,400 square foot, three-story, convalescent center containing 60 beds to be used for short term rehabilitation services. The subject property is located on the southeast corner of SE 174th street and 106th place SE.

Parcel 292305-9042

Parcel 052205-9079 (E# 2656895): Confirmations from the buyer and the seller that there are not wetlands on the property. Wetland consultant hired prior to sale for that determination. Appears to be a market sale.



052205-9079



Parcel 202305-9131/-9119 (E# 2633318): The property was listed on NWMLS for \$700,000. Listing flyer: Great opportunity for investor/builder. Mixed use, build 80 unit condos, 3200 sq ft retail. Attached dwelling, educational institution (public or private, k-12), offices, retails, entertainment and recreation, services, light industrial, or storage etc. The broker notes did say the seller was motivated. Land estimated to be 71% usable due to topography, effective sale price of \$12.12/SF.

Parcel 202305-9131/-9119

Parcel 292305-9125 (E# 2719909): The buyer was a developer with a national client base, they built a CVS Pharmacy and a 4,300/SF McDonald's. This is indeed a tear down land sale and at \$41/SF shows the value of a key corner intersection parcel with very high traffic counts. The construction was completed in 2014. There were ongoing negotiations with the buyer for several years and there were other interested buying parties including a Walgreens developer. The price was established based on market rate offers from the interested parties and the high offer won out. It was all cash but this didn't discount the price.



Parcel 292305-9125

Parcel 312305-9090 (E# 2690207): 9 Duplexes are currently under construction on this parcel. This equates to \$54,722/unit. This parcel was sold with building permits.



Parcel 312305-9090



Parcel 008700-0070/0075/0080/0081 (E# 2667234):

According to real property notes, these parcels were purchased as part of the LaRosa building development – a Conner Homes project with 21 single family residences.

008700-0081

Area 75-70 Cedar Basin/May Valley

This neighborhood is the most southern edge of area 75 and is the most rural area. The commercial developments in this neighborhood are mostly neighborhood retail and service buildings that cater the residences and passersby. It also has some mining properties that are still active and some that are stagnant ready for future redevelopment.

There are three commercially zoned, vacant land sales that have occurred in this neighborhood in the last three years. All these recent sales are zoned “M” or Mineral Mining. Sales from competing market areas of similar zoning such as single family zoned sales were used for those single family residence zoning improved with churches and private schools. Older sales were also used in developing the land values for 2015. Vacant land values for usable commercially zoned parcels in this area have a value range of \$12 to \$24 per SF. On the other hand, Mineral zoned parcels range in value from \$0.23 to \$0.50 per SF.

| Parcel Number | Sale Date | Sale Price | Lot Size | Zoning | Neighborhood | Price / SQ FT and Comments |
|---------------|-----------|------------|-----------|---------|-------------------------------|--|
| 332306-9077 | 7/18/14 | \$5,000 | 21,780 | M | Maple Valley Hwy Area (75-70) | \$0.23 Mineral Zoning |
| 332306-9078 | 7/18/14 | \$10,000 | 43,560 | M | Maple Valley Hwy Area (75-70) | \$0.23 Mineral Zoning Major Power lines |
| 332306-9080 | 12/31/14 | \$500,000 | 1,031,790 | M & RA5 | Maple Valley Hwy Area (75-70) | \$0.48 Mineral Zoning Major Power lines Split Zoning |



Parcel 332306-9077/9078

(E# 2681380/2681376): Owner wanted to unload property and purchaser approached her with an offer. Property was bought for possible mineral extraction. No permits have been obtained but there has been mineral extraction close by. Sale was all cash. Purchaser believes property is worth more than purchase price. Parcels -9077 and -9078 were purchased at the same time but were separate transactions.

332306-9077/9078



Parcel 332306-9080 (E# 2709379): Per seller, the property was purchased by neighbor. The price was determined by a June 2013 mining and geology report. Per seller, about 50% of parcel is zoned RA and 50% zoned Mineral. Seller feels the price is market value.

Parcel 332306-9080

Supporting sale from adjacent market areas:

| Parcel Number | Sale Date | Sale Price | Lot Size | Zoning | Neighborhood | Price / SQ FT and Comments |
|---------------|-----------|-------------|----------|--------|-----------------------------------|----------------------------|
| 362205-9039 | 7/27/15 | \$1,770,000 | 132,858 | TC | Maple Valley Highway Area (65-30) | \$13.32 |
| 102206-9013 | 3/23/15 | \$110,000 | 9,117 | NB | Maple Valley Highway (65-30) | \$12.07 |
| 272206-9075 | 9/25/14 | \$684,240 | 28,657 | CB | Maple Valley Highway (65-30) | \$23.88 |
| 362205-9080 | 11/21/13 | \$557,568 | 34,848 | TC | Maple Valley Highway (65-30) | \$16.00 |
| 272206-9083 | 9/18/13 | \$600,000 | 24,583 | CB | Maple Valley Highway (65-30) | \$24.41 |

Parcel 362205-9039 (E# 2758564): Property listed for 7 years. It is reported that the property was at lower end of range because buyer had to pay City of Covington \$775K to hook up to sewers for development and seller wanted all cash for deal. Included the \$775K hook up fee in sales price and sale appears to be at market. This is considered a teardown sale.



362205-9039



102206-9013

Parcel 102206-9013 (E# 2720367): This triangular shaped property was originally listed in 2011 for \$119,000. It sold in 2015 for \$110,000.



272206-9075

Parcel 272206-9075 (E# 2692574): Property price was negotiated through brokers at CBRE. Purchaser said property bought for development of Pacific Dental Office. The office building will have 5600 square feet and half will be used by Pacific Dental and the other half will be leased out.



362205-9080

Parcel 362205-9080 (E# 2642859): Property was listed and appears to be an arm's-length transaction. Listed for \$600,000 in February 2013. This is considered a teardown sale.



Parcel 272206-9083

Parcel 272206-9083 (E# 2632127): Parcel was listed and appears to be an arm's length transaction of a vacant lot in Four Corners Square. An eye clinic has been built since the sale.

The table on the following page summarizes the land valuation model as it was applied to the properties in Area 75. All dollar amounts are stated as a price per square foot of land area. The table is intended as a guide to “typical” land values with additional adjustments made for individual site variations.

Typical Land Value Ranges

By Neighborhood and Land Use
2016 Revaluation

| | | Area 75 Neighborhoods | | | | | | | |
|------------------|---|-----------------------|---|--|--|------------------|-------------------|--|---|
| | | 75-10 | 75-20 | 75-35 | 75-40 | 75-50 | 75-60 | 75-65 | 75-70 |
| Property Types | Land Zoning Designation | Mercer Island | South Bellevue/Factoria & I-90 Corridor | East Bellevue/Lake Hills to Crossroads | Newcastle/Newport/Kennedydale/Renton Landing | Bryn Mawr-Skyway | Renton Highlands | Renton/Fairwood & Benson Hill, Kent/Panther Lake | Unincorporated King County/South Issaquah to Maple Valley |
| Industrial Land | Bellevue: LI Newcastle: MU/I Renton: IH, IM, IL King County: M, MP, I, IP | | \$15-\$41/SF | | \$11.25-\$14.35/SF | \$3.50-\$6.50/SF | 9.25/SF | | \$3.30-\$7.25/SF |
| Commercial Land | Mercer Island: B, P, PBZ, CO, TC Bellevue: CB, F1, F2, F3, GC, NB, O, OLB, PO Newcastle: CB, MU, MU-R, MU-C, O, NB Renton: CA, CC, CD, CN, CO, COR, CS King County: CB, NB, NBP, O, OP, OS Kent: CC-MU | \$25-\$105/SF | \$22-\$52/SF | \$23-\$47/SF | \$8-\$35/SF \$9-\$39/SF | \$14-\$20/SF | \$5.50-\$23.50/SF | \$9.25-\$38/SF | \$4.25-\$16.50/SF |
| MultiFamily Land | Mercer Island: MF-2L, MF-2, MF-3 Bellevue: R-10, R-15, R-20, R-30 Newcastle: R-12, R-18, R-24, R-48 Issaquah: MF-M, MF-H Renton: CV, R-14, RMH, RM-F, UC-N1, UC-N2 King County: R12, R12P, R24, R18, R48 Kent: MHP, MR-G, MR-M, MR-H | \$72-\$77/SF | \$14-\$45 | \$10-\$32/SF | \$16-\$39/SF \$16.50-\$24/SF | \$3-\$20/SF | \$9.75-\$21.50/SF | \$8.25-\$18/SF \$8-\$8.25/SF | |
| Residential Land | Mercer Island: R-8.4, R-9.6, R-12, R-15 Bellevue: R-1, R-1.8, R-2.5, R-3.5, R-4, R-5, R-6, R-7.5 Newcastle: R-1, R-4, R-5, R-8, R-10 Issaquah: SF-E Renton: R-1, R-4, R-5, R-8, R-10 King County: R1, R4, R6, R8, RA2.5, RA5, RA10 Kent: SR-1, SR-4.5, SR-6, SR-8 | \$23-\$95/SF | \$5-\$44/SF | \$8-\$34/SF | \$7-\$22.50/SF \$7.50-\$39/SF | \$6.50-\$12/SF | \$5.25-\$17.50/SF | \$8-\$15.50 | \$1-\$15.40/SF |

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

Zoning Descriptions within Area 75:

City of Mercer Island:

Commercial/Industrial Zoning

- B Business
- C-O Commercial Offices
- PBZ Planned Business
- TC Town Center

Multi-Family Zoning

- MF-2 Multi-Family, Allowed density 38 units per acre
- MF-2L Multi-Family Limited, Allowed density 26 units per acre
- MF-3 Multi-Family, Allowed density 26 units per acre

Residential Zoning

- R-8.4 Single Family, minimum lot size of 8,400SF
- R-9.6 Single Family, minimum lot size of 9,600SF
- R-12 Single Family, minimum lot size of 12,000SF
- R-15 Single Family, minimum lot size of 15,000SF

City of Bellevue:

Commercial/Industrial Zoning

- CB Community Business District
- F1 Factoria Land Use District 1- mixed-use residential and regional retail center
- F2 Factoria Land Use District 2- intensive office, movie theater, and service uses
- F3 Factoria Land Use District 3- highly intensive office use in an integrated complex
- GC General Commercial District
- LI Light Industrial District
- NB Neighborhood Business District
- O Office District
- OLB Office and Limited Business District
- PO Professional Office District

Multi-Family Zoning

- R-10 Multi-family Residential- 10 units per acre
- R-15 Multi-family Residential- 15 units per acre
- R-20 Multi-family Residential- 20 units per acre
- R-30 Multi-family Residential- 30 units per acre

Residential Zoning

- R-1 Single Family Residential Estate- 1 dwelling per acre
- R-1.8 Single Family Residential Estate District- 1.8 dwelling units per acre
- R-2.5 Single Family Residential- 2.5 dwellings per acre
- R-3.5 Single Family Residential- 3.5 dwellings per acre
- R-4 Single Family Residential- 4 dwellings per acre
- R-5 Single Family Residential- 5 dwellings per acre
- R-7.5 Single Family Residential- 7.5 dwellings per acre

City of Newcastle:

Commercial/Industrial Zoning

CB Community Business
CBC Community Business Center
LOS Limited Open Space
MU Mixed Use
MU/I Mixed Use/Industrial
MU-C Mixed Use Commercial
MU-R Mixed Use Residential
NB Neighborhood Business
O Office

Multi-Family Zoning

R-12 Multi-Family, 12 dwelling units per acre
R-18 Multi-Family, 18 dwelling units per acre
R-24 Multi-Family, 24 dwelling units per acre
R-48 Multi-Family, 48 dwelling units per acre

Residential Zoning

R-1 Single Family, 1 dwelling unit per acre
R-4 Single Family, 4 dwelling units per acre
R-6 Single Family, 6 dwelling units per acre
R-8 Single Family, 8 dwelling units per acre

City of Renton:

Commercial/Industrial Zoning

CA Commercial Arterial
CD Center Downtown
CN Commercial Neighborhood
CO Commercial Office
COR Commercial/Office/Residential
CV Center Village
IH Industrial Heavy
IL Industrial Light
IM Industrial Medium
UC-N1 Urban Center North 1
UC-N2 Urban Center North 2

Multi-Family Zoning

RM-F Residential Multi-Family
RMH Residential Manufactured Homes

Residential Zoning

R-1 Residential 1 dwelling unit per acre
R-4 Residential 4 dwelling units per acre
R-8 Residential 8 dwelling units per acre

- R-10 Residential 10 dwelling units per acre
- R-14 Residential 14 dwelling units per acre
- RC Resource Conservation

City of Kent:

Commercial/Mixed Use Zoning

- CC-MU Community Commercial-Mixed Use Development

Multi-Family Zoning

- MHP Mobile Home Park Combining District
- MR-G Low Density Multi-family Residential District
- MR-H High Density Multi-family Residential District
- MR-M Medium Density Multi-family Residential District

Residential Zoning

- SR-1 Residential Agricultural District
- SR-6 Single Family Residential District

City of Issaquah:

Multi-Family Zoning

- MF-H Multi-family High Density Residential– 29 dwelling units per acre
- MF-M Multi-family Medium Density Residential– 14.52 dwelling units per acre

Residential Zoning

- SF-E Suburban Estates – 1.24 dwelling unit per acre

Unincorporated King County:

Commercial/Industrial Zoning

- CB Community Business
- I Industrial
- M Mineral
- NB Neighborhood Business
- O Office

Multi-Family Zoning

- R12 Residential 12 dwelling units per acre
- R18 Residential 18 dwelling units per acre
- R24 Residential 24 dwelling units per acre
- R48 Residential 48 dwelling units per acre

Residential Zoning

- RA2.5 Rural Area, 2.5 acre minimum lot size
- RA5 Rural Area, 5 acre minimum lot size
- RA10 Rural Area, 10 acre minimum lot size
- R1 Residential 1 dwelling unit per acre
- R4 Residential 4 dwelling units per acre
- R6 Residential 6 dwelling units per acre

Preliminary Ratio Analysis

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

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

Appraisal (Assessment) Level: Estimates of appraisal level are based on measures of central tendency. The weighted mean ratio is the value-weighted average of the arithmetic mean and median ratios in which the weights are proportional to the sales prices. The weighted mean also is the ratio of the total assessed value to the total sales price value. The weighted mean gives equal weight to each dollar of value in the sample, whereas the median and mean give equal weight to each parcel. The weighted mean is an important statistic in its own right and also used in computing the price related differential (PRD), a measure of uniformity between high- and low- value properties.

The IAAO performance standards state that the weighted mean ratio should be between 0.90 and 1.10. The preliminary ratio study for Area 75 shows a weighted mean ratio of 0.867 which is below the IAAO guidelines, indicating that the previous assessment level, as measured using recent sales, is below the acceptable range.

Appraisal (Assessment) Uniformity: Measures of dispersion or variability relate to the uniformity of the ratios. The most generally useful measure of uniformity is the Coefficient of Dispersion (COD). The COD measures the average percentage deviation of the ratios from the median ratio.

The IAAO performance standards state that the COD should be between 5.0 and 20.0 for income producing property in smaller, rural jurisdictions and between 5.0 and 15.0 for larger, urban market jurisdictions. The preliminary ratio study for Area 75 shows a COD of 11.00%, which is within the IAAO guidelines, indicating that the current level of assessment uniformity, as measured using recent sales, is in the acceptable range.

A second measure of uniformity utilized in the ratio study is the Price Related Differential (PRD). The PRD provides a measure of price related bias, or the equity between low and high priced property. The IAAO performance standards state that the PRD should fall between 0.98 and 1.03. A value below 0.98 would indicate progressivity in the data where assessment levels increase with increasing sales prices. Values above 1.03 indicate regressivity in the data where assessment level decreases with increases in sales price. The preliminary ratio study for Area 75 shows a PRD of 1.08 which is above the IAAO guidelines, giving an indication that the current level of assessment uniformity as measured using recent sales was outside the acceptable range.

The results of the preliminary ratio study shows that the assessment level falls outside of the IAAO standards and the assessment uniformity falls within the IAAO standards. These results are significant particularly when adequate sales of a specific property type such as office or medical/dental office, existed. For most other income producing property types the sales sample was insufficient to draw direct conclusions, but the sales can be used as a test for the income model.

The study included sales of improved parcels and benchmarks the current assessment level using 2015 posted values. Some of the assessment uniformity such as COV and COD are within the IAAO standards. But the assessment level of 86.7% weighted mean ratio is below the recommended standards. And the high PRD indicates assessment regressivity; meaning the low-value properties are over appraised relative to high-value properties. These statistics suggest that a revaluation is necessary to achieve a better assessment level and uniformity of property values.

| Recommended IAAO Standards on Ratio Studies | |
|---|--------------|
| Appraisal Level | 0.90 to 1.10 |
| Coefficient of Dispersion | 5.0 to 20.0 |
| Price Related Differential | 0.98 to 1.03 |

Improved Parcel Total Values

Sales Comparison Approach Model Description

When sufficient sales are present, the sales approach is the most reliable of the three approaches to valuation. The sales comparison approach reflects the principles of supply and demand, balance, externalities, and substitution.

Commercial improved sales dating from January 2013 through December 2015 were considered in the evaluation of Area 75's improved properties. There are 64 improved sales in Area 75 considered arm's length fair market value transactions reflective of market conditions. Five of these sales are not included in the ratio report because the sales either had major renovation after sale, or a change of use since the time of sale. When necessary, sales of similar property types from other market areas were considered.

The sales were obtained from Excise Tax Records, and verified with property owners, Costar, Brokers and Agents. These sales were organized by market segments based on predominant use. Based on sales analysis, each segment reflected a market price per square foot of net rentable area.

The sales price ranges helped establish a general upper and lower market boundary for the various property types within each subject area. The model for sales comparison was based on the following characteristics from the Assessor's records: commercial use, building section uses, neighborhood, effective year built, quality of construction, and net rentable area of the improvement. The search for comparable sales was expanded to include the surrounding competing neighborhoods within the geographic area, location was also a considered. Properties

were grouped with data that most resembled each other to equalize values within each predominant property use type. The sales are organized into market segments based on predominant use and each segment reflected a market price per square foot of net rentable area. Note that time adjustments were not made due to lack of ample sales activity needed in order to make a meaningful time trend analysis.

There were several categories of properties in Area 75 where the sales comparison approach was used. Below is a list of property types where the sales comparison approach was the dominant valuation method used:

| Property Type | Market Sales Range |
|------------------------------------|-------------------------------|
| Mobile Home/RV Parks | \$45,000-\$105,000/Pad |
| Day Cares | \$180/SF-\$380/SF |
| Mini Lube Auto Centers | \$325/SF-\$390/SF |
| Small Offices (<5,000sf) | \$125/SF-\$350/SF |

Property types typically valued by the Sales Approach are as follows:

- Mobile home parks (MHP) are valued on a per pad basis from \$45,000 to \$73,000 per pad. The breakdown is as follows: Double Wide from \$55,000 to \$73,000 per pad, and Single Wide from \$45,000 to \$50,000 per pad. Area 75 has no RV Park. The department has done a comprehensive survey of all the MHP's in King County and each received a quality rating, which is the basis for assessment. The class of the park varies with the unit mix (RVs, single wide, and double wide) amenities such as pools, club house, landscaping, views, sports courts, general upkeep, etc. Overall, sales support the previous Mobile Home Park values.
- Daycare centers have a value range from \$180/SF to \$380/SF. Generally, daycares, either owned or leased by a national chain (such as La Petite Academy, KinderCare, etc.) have higher construction quality and building condition. As a result these properties tend to be on the higher end of the range.
- Mini Lube / Service Garages are valued from \$325/sf up to \$390/sf depending on the quality of construction, effective year built, location, and building set-up. Those properties that are either owned or leased by a national chain such as Jiffy Lube have higher construction quality and better location. They are valued at the high end of the market.
- Small Office (less than 5,000sf) valued at \$125 to \$350.00 per square foot.

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

Cost Calibration

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

Income Capitalization Approach Model Description

Three basic models were developed for income capitalization; those being retail, office and warehouse. Income tables were developed and then applied to the population. The tables were derived from market surveys and studies and subsequently applied to property data. A majority of properties in this area were valued utilizing an income approach (Direct Capitalization method).

The valuation model includes the following steps:

1. The program multiplies the property's net rentable area by the market rent to derive potential gross income (PGI).
2. The program subtracts allowances for vacancy and operating expenses to derive net operating income (NOI).
3. The program capitalizes NOI (divides it by the overall rate) to produce the value estimate.

The Income Approach, using direct capitalization was considered a reliable approach to valuation throughout Area 75 for most improved property types since income and expense data was available to ascertain market rates.

Income: Income data was derived from the market place from landlords and tenants, market sales, as well as through published sources (i.e. officespace.com, Commercial Brokers Association, Co-Star, and real estate websites such as CBRE, Colliers, Kidder Mathews, etc.), and opinions expressed by real estate professionals active in the market.

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

Expenses: Expense ratios were estimated based on industry standards, published sources, and the appraiser's knowledge of the area's rental practices. Within the income valuation models for Area 75, the assessor used triple net expenses for retail/mixed-use and industrial type uses. For

office/medical buildings, the assessor used a combination of full service/gross expenses and triple net expenses depending on the type of rents used.

Capitalization Rates: When market sales are available an attempt is made to ascertain the capitalization rate on the sale or a pro-formal cap rate on the first year performance, during the sales verification process. Also, capitalization rate data was collected from published market surveys, such as Co-Star, Real Capital Analytics, The American Council of Life Insurance (Commercial Mortgage Commitments), Integra Realty Resources, Korpacz Real Estate Investor Survey (PWC), CBRE – National Investor Survey, etc. These sources typically have capitalization rates or ranges based on surveys or sales, and they usually include rates for both the Seattle Metropolitan area and the nation.

The effective age and condition of each building contributes to the capitalization rate applied in the model. For example; a building in poorer condition with a lower effective year (1965, for example) will typically warrant a higher capitalization rate, and a building in better condition with a higher effective year (2010, for example) will warrant a lower capitalization rate.

The following table recaps the rates as reported by the industry publications.

| SEATTLE / REGIONAL CAP RATES | | | | | |
|--|-----------------------------|---------------------------|----------------|--|--|
| Source | Date | Location | Multifamily | Hospitality | Remarks |
| CBRE: Capital Markets Cap. Rate survey. | 2 nd Half (2015) | Seattle | 4.00% - 4.50% | - | Infill – Class A |
| | | | 4.50% - 5.00% | - | Infill – Class A – Value Added |
| | | | 4.75% - 5.25% | - | Infill – Class B |
| | | | 5.00% - 5.50% | - | Infill – Class B – Value Added |
| | | | 5.50% - 6.00% | - | Infill – Class C |
| | | | 5.25% - 6.25% | - | Infill – Class C – Value Added |
| | | | 4.50% - 5.00% | - | Suburban – Class A |
| | | | 4.75% - 5.00% | - | Suburban – Class A – Value Added |
| | | | 5.00% - 5.50% | - | Suburban – Class B |
| | | | 5.25% - 5.75% | - | Suburban – Class B – Value Added |
| | | | 5.75% - 6.25% | - | Suburban – Class C |
| | | | 6.00% - 6.50% | - | Suburban – Class C – Value Added |
| | | | - | 5.50% - 6.00% | CBD – Luxury |
| | | | - | 5.75% - 6.25% | CBD – Full-Service |
| | | | - | 6.00% - 6.50% | CBD – Select-Service |
| | | | - | 7.50% - 8.50% | CBD – Economy |
| - | 6.00% - 7.00% | Suburban – Luxury | | | |
| - | 7.00% - 7.50% | Suburban – Full-Service | | | |
| - | 7.25% - 8.00% | Suburban – Select-Service | | | |
| - | 8.25% - 9.25% | Suburban – Economy | | | |
| RERC: Real Estate Report Valuation Rates & Metrics | 4Q 2015 | Seattle | 4.70% | - | Apartments – All Classes |
| | | | - | 7.00% | Hotels – All Classes |
| | | West Region | 3.80% - 8.00% | - | Apartments – 1 st Tier Properties |
| | | | 4.50% - 9.00% | - | Apartments – 2 nd Tier Properties |
| | | - | - | Apartments – 3 rd Tier Properties | |
| | | - | 6.00% - 9.00% | Hotels – 1 st Tier Properties | |
| | | - | 6.50% - 9.50% | Hotels – 2 nd Tier Properties | |
| | | - | 7.00% - 10.50% | Hotels – 3 rd Tier Properties | |

SEATTLE / REGIONAL CAP RATES

| Source | Date | Location | Office | Industrial | Retail | Remarks |
|---|-----------------------------|----------------------------|--|---|--|--|
| CBRE: Capital Markets Cap. Rate survey. | 2 nd Half (2015) | | | | | CBRE professional's opinion of where cap rates are likely to trend in the 2 nd ½ of 2015 based on recent trades as well as interactions with investors. Value Added represents an underperforming property that has an occupancy level below the local average under typical market conditions. |
| | | Seattle | 4.25% - 4.75% 4.50% - 5.25% 5.75% - 7.00% 5.25% - 6.00% 6.50% - 7.50% 6.50% - 7.00% 7.50% - 9.00% 5.25% - 5.75% 5.50% - 6.00% 6.50% - 7.50% 6.25% - 6.75% 7.00% - 8.00% 7.00% - 8.00% 7.50% - 8.50% | - - - - - - - - - - - - - - | - - - - - - - - - - - - - - | CBD – Class AA 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 AA Suburban – Class A Suburban – Class A – Value Added Suburban – Class B Suburban – Class B – Value Added Suburban – Class C Suburban – Class C – Value Added Class A Class A – Value Added Class B Class B – Value Added Class C Class C – Value Added Class A (Neigh./Comm. w/Grocery) Class A (Neigh./Comm.) – Value Added Class B (Neigh./Comm. w/Grocery) Class B (Neigh./Comm.) – Value Added Class C (Neigh./Comm. w/Grocery) Class C (Neigh./Comm.) – Value Added Class A (Power Centers) Class A (Power Centers) – Value Added Class B (Power Centers) Class B (Power Centers) – Value Added Class C (Power Centers) Class C (Power Centers) – Value Added High Street Retail (Urban Core) |
| IRR: Viewpoint for 2015 | Year-end 2015 | Seattle West Region | 5.50% 6.00% 6.00% 6.50% - - - 6.03% 6.63% 6.41% 6.96% - - - - - | - - - - 5.00% 7.30% - - - - 6.00% 6.81% - - - | - - - - - 6.00% 6.30% - - - - - - 6.12% 6.27% 6.48% | <u>Institutional Grade Properties</u> CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B Industrial – Class A Flex Industrial – Class A Community Retail – Class A Neighborhood Retail – Class A CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B Industrial – Class A Flex Industrial – Class A Reg. Mall – Class A Community Retail – Class A Neighborhood Retail – Class A |
| Colliers | 3 rd QTR 2015 | Seattle Puget Sound | 5.50% 7.10% | - - | - - | CBD Office Suburban Office Industrial |
| CoStar | 4Q 2015 | Seattle Puget Sound | 6.58% 6.22% 6.08% | - - 7.08% 6.77% 6.08% | - - - - 6.17% | Building Size < 25,000 SF Building Size 25,000 SF – 50,000 SF Building Size 50,000 SF – 300,000 SF Building Size < 25,000 SF Building Size 25,000 SF – 50,000 SF Building Size 50,000 SF – 300,000 SF Building Size < 25,000 SF |

| SEATTLE / REGIONAL CAP RATES | | | | | | |
|------------------------------|------|----------|--------|------------|--------|--------------------------------------|
| Source | Date | Location | Office | Industrial | Retail | Remarks |
| | | | - | - | 6.51% | Building Size 25,000 SF – 50,000 SF |
| | | | - | - | 5.90% | Building Size 50,000 SF – 300,000 SF |

| SEATTLE / REGIONAL CAP RATES | | | | | | |
|--|---------|----------------------------------|---|--|-------------------------|---|
| Source | Date | Location | Office | Industrial | Retail | Remarks |
| RERC: Real Estate Report Valuation Rates & Metrics | 4Q 2015 | | | | | 1 st Tier properties are defined as new or newer quality const. in prime to good location; 2 nd Tier properties are defined as aging, former 1 st tier in good to average locations; 3 rd Tier are defined as older properties w/ functional inadequacies and/or marginal locations. |
| | | Seattle | 5.50% 6.30% | - - 5.90% | - - - | Office CBD – 1 st Tier Properties Suburban Office – 1 st Tier Properties Warehouse – 1 st Tier Properties R&D – 1 st Tier Properties Flex – 1 st Tier Properties |
| | | West Region | 4.00% - 8.00% 4.50% - 8.50% 5.50% - 9.50% 5.50% - 8.50% 5.50% - 9.00% 6.00% - 10.00% | - - - - - - 4.50% - 8.00% 5.00% - 9.00% 6.00% - 10.00% | 5.90% 6.00% 5.90% | Regional Mall – 1 st Tier Properties Power Center – 1 st Tier Properties Neigh/Comm. Ctrs. – 1 st Tier Properties Office CBD – 1 st Tier Properties Office CBD – 2 nd Tier Properties Office CBD – 3 rd Tier Properties Suburban Office – 1 st Tier Properties Suburban Office – 2 nd Tier Properties Suburban Office – 3 rd Tier Properties Warehouse – 1 st Tier Properties Warehouse – 2 nd Tier Properties Warehouse – 3 rd Tier Properties R&D – 1 st Tier Properties R&D – 2 nd Tier Properties R&D – 3 rd Tier Properties Flex – 1 st Tier Properties Flex – 2 nd Tier Properties Flex – 3 rd Tier Properties |
| PWC / Korpaz | 4Q 2015 | Seattle | 6.10% 5.50% | - - | - - | Overall - 4.00% to 9.00% CBD Office |
| | | Pac. NW | 6.60% 6.08% 5.52% 6.64% | - - - - | - - - - | Suburban Office Overall - 4.00% to 9.00% CBD Office Suburban Office |
| | | | - | 5.25% | - | Warehouse – (3.75% - 7.00%) |
| ACLI | 4Q 2015 | Seattle – Bellevue - Everett MSA | 5.34% | 7.12% | 6.60% | All Classes |
| | | Pacific Region | 5.56% | 5.93% | 4.73% | All Classes |

The above tables demonstrate ranges of capitalization rates and trends that are compiled with information that is collected on a broad regional scale. This information is reconciled with data

specific to the real estate market in Area 75 to develop the income model. The range of capitalization rates in the income model for Area 75 reflects the variety of properties in this area.

Income Approach Calibration

Income tables were developed for each of the eight neighborhoods that comprise Area 75. The tables pertain to the following property types: Retail, Industrial Engineering Buildings, Warehouse Storage, Warehouse Office, Warehouse Distribution, Medical and Dental Offices, Discount Stores, Storage Garage, Basement Finish, Restaurant, and Office, in addition to an exclusion table indicating property uses not covered by an income table. Properties which contain differing section uses may have multiple tables that are applicable to the property as a whole. All tables are included in the addendum of this report.

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

Typical income model parameters for the various markets that make up Area 75 are summarized in the following table. It should be noted that due to the nature of commercial real estate, not all properties fall within the typical parameters.

The table on the following pages summarizes the income valuation model for each neighborhood in Area 75:

| Typical Income Model Parameters: | | | | |
|--|----------------------|-------------------------------------|------------------------------|----------------------------|
| Area 75-10 Mercer Island | | | | |
| Property Type | Rent/SF Range | Vacancy Rate/Collection Loss | Expense Rate-% of EGI | Capitalization Rate |
| Office/Medical Office | \$14 to \$28 | 5-10% | 10% | 6% to 7.75% |
| Retail/Mixed Use | \$21.50 to \$33 | 5-10% | 10% | 6.25% to 8% |
| Industrial/Warehouse | \$5.25 to \$19 | 8-10% | 10% | 6% to 8% |
| Area 75-20 South Bellevue/Factoria/I-90 Corridor | | | | |
| Property Type | Rent/SF Range | Vacancy Rate/Collection Loss | Expense Rate-% of EGI | Capitalization Rate |
| Office/Medical Office | \$9 to \$29 | 7.5-13% | 10% | 6.5% to 7.75% |
| Retail/Mixed Use | \$16 to \$30 | 5-8% | 10% | 6.25% to 7.75% |
| Industrial/Warehouse | \$2 to \$19 | 5-8% | 10% | 6.5% to 8% |
| Area 75-35 East Bellevue/Lake Hills to Crossroads | | | | |
| Property Type | Rent/SF Range | Vacancy Rate/Collection Loss | Expense Rate-% of EGI | Capitalization Rate |
| Office/Medical Office | \$12 to \$30 | 5-10% | 10% | 6% to 9% |
| Retail/Mixed Use | \$16 to \$36 | 5-8% | 10% | 6.25% to 8% |
| Industrial/Warehouse | \$6 to \$7.75 | 5% | 10% | 6.25% to 7.25% |

| Area 75-40 Newcastle/Newport Hills/Kennydale/North Renton/Landing | | | | |
|---|-------------------|------------------------------|-----------------------|---------------------|
| Property Type | Rent/SF Range | Vacancy Rate/Collection Loss | Expense Rate-% of EGI | Capitalization Rate |
| Office/Medical Office | \$9.25 to \$23 | 3-12% | 10% | 6.25-7.25% |
| Retail/Mixed Use | \$7.50 to \$32.50 | 5-7% | 10% | 7-8% |
| Industrial/Warehouse | \$2.45 to \$12.25 | 3-7% | 10% | 6.25-6.5% |
| Area 75-50 Bryn Mawr - Skyway | | | | |
| Property Type | Rent/SF Range | Vacancy Rate/Collection Loss | Expense Rate-% of EGI | Capitalization Rate |
| Office/Medical Office | \$6 to \$12 | 10% | 7.5% | 7.50 to 9% |
| Retail/Mixed Use | \$6 to \$10.25 | 10% | 7.5% | 7.25 to 8.5% |
| Industrial/Warehouse | \$4.25 to \$6 | 10% | 7.5% | 7.75 to 8.5% |
| Area 75-60 Renton Highlands | | | | |
| Property Type | Rent/SF Range | Vacancy Rate/Collection Loss | Expense Rate-% of EGI | Capitalization Rate |
| Office/Medical Office | \$9.20 to \$22 | 3-12% | 10% | 6.25-7.50% |
| Retail/Mixed Use | \$7 to \$38 | 5-9% | 7.5-10% | 6.50% to 7.50% |
| Industrial/Warehouse | \$2.35 to \$12.25 | 3-7% | 10% | 6.25 to 6.50% |
| Area 75-65 Benson Hill/Fairwood/Panther Lake/Cedar Valley | | | | |
| Property Type | Rent/SF Range | Vacancy Rate/Collection Loss | Expense Rate-% of EGI | Capitalization Rate |
| Office/Medical Office | \$4 to \$28 | 5-12% | 10% | 6.25-7.75% |
| Retail/Mixed Use | \$8 to \$28 | 9% | 10% | 6.50-7.5% |
| Industrial/Warehouse | \$4.50 to \$6.50 | 6% | 10% | 6.25% |
| Area 75-70 Cedar Basin and May Valley | | | | |
| Property Type | Rent/SF Range | Vacancy Rate/Collection Loss | Expense Rate-% of EGI | Capitalization Rate |
| Office/Medical Office | \$8.50 - \$21.50 | 10% | 10-30% | 6.75 - 7.75% |
| Retail/Mixed Use | \$14 to \$26 | 8% | 10% | 6.50% to 8.25% |
| Industrial/Warehouse | \$5.75 -\$7.75 | 8% | 10% | 6.75% to 8.50% |

Overall, the rents were adjusted slightly upwards, vacancies were adjusted slightly downwards, expenses are the same, and the capitalization rates for the most part were adjusted slightly downwards in all neighborhoods.

Reconciliation

The Appraiser made a review of the appropriateness of the application of the valuation models before final value was selected for each parcel. 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 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 along with data from surveys and publications. Those parameters were applied to the income model. The income approach to value was considered to be a reliable indicator of value in most instances. Market rents may vary based on location, age of the property, property type, and other factors specific or unique to a property. 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.

Each appraiser can adjust any or all of the factors used to establish value by the model. The Appraiser made the determination of value based on the Appraiser's judgment of the appropriateness of the method for each property. For quality control purposes an administrative review of the selected values was made by Marie Ramirez, Senior Appraiser.

Model Validation

Total Value Conclusions, Recommendations and Validation

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel is reconciled and a value was 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.

| Area 75 | 2015 Ratios | 2016 Ratios | Change | % Change |
|----------------------------|--------------------|--------------------|---------------|-----------------|
| Assessment Level of Sales | 86.7% | 93.1% | 6.40% | 7.38% |
| Coefficient of Dispersion | 11.0% | 7.60% | -3.40% | -30.91% |
| Coefficient of Variation | 15.25% | 9.86% | -5.39% | -35.34% |
| Price Related Differential | 1.08 | 1.03 | -0.05 | -4.63% |

The standard statistical measures of valuation performance are presented in both the 2015 and 2016 Ratio Analysis charts included in this report. Comparison (see table above) of the 2015 with the 2016 Ratio Study Analysis indicates that the 2016 assessments statistical ratios are all within the IAAO (International Association of Assessing Officers) appraisal guidelines for measures of valuation uniformity and equity. However with a sample size of only 57 improved sales for many different commercial types, the weight given to the ratio study should be tempered.

In the 2016 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 total value by the income method). The income approach also insures greater uniformity and equalization of values. With improving market fundamentals, Area 75 values by the income method are generally increasing although they sometimes are below the value of the sales. This may be because some of these properties are purchased by owner-users, or in the case of interim use properties they might be purchased for investment value or anticipated future income rather than current income.

The 2016 Assessment year revalue of Area 75 is based on commercial real estate data available in 2015 and early 2016 that support the fee simple value of the non-specialty properties in these submarkets as of the valuation date of 1/01/2016. This valuation has occurred in a period of steady market expansion following the severe global, national, and regional economic downturn which had impacted local supply and demand dynamics.

A review of market income data for the 1/01/2016 valuation indicates continued strong income fundamentals for Seattle and King County. Costar reports vacancy rates have continued to trend

down for retail properties ending 2015 at 4.3% for the Seattle/Puget Sound Area. Similarly, Office properties have had continued decreasing vacancy rates with the exception of Class A office properties which have seen a slight increase. Overall, office vacancy rates dropped to 8.1% at the end of 2015. Industrial vacancy rates have remained flat for the year at 4.6%. CBRE reports that capitalization rates for the most part trended down in 2015 with the exception of some retail properties which saw a slight increase. Lease rates remained flat on suburban neighborhoods while urban areas have seen sizeable increases on almost all types of properties.

The 2015 real estate market year saw a trend of stable land sales in comparison to the previous year. Some of these properties were purchased by investors for multi-family development in Newcastle, Bryn Mawr – Skyway and the Renton – Highlands and Benson Hill areas; however several land sales may be for retail development sites. These land sales support an increase in the assessed land values for most of the zoning designations in the 2016 revalue and an overall land value increase of 4.24% (all land parcels in area 75 excluding government owned properties).

The recommended values represent the appraiser’s best estimate of appropriate assessed values as of the assessment date. Any subsequent sales after the date of this report may not validate or invalidate these value estimates because the market has and will continue to change after the assessment date.

Application of these recommended values for the 2016 assessment year results in a total percentage change from the 2015 assessments of 3.80%. The market sales show increasing trend. Since the values recommended in this report improve uniformity and assessment equity, we recommend posting these values for the 2016 Assessment Year.

| <i>Total Population - Parcel Summary Data:</i> | | | | |
|---|--------------------------|--------------------------|--------------------------|------------------------------|
| <i>Area 75</i> | <i>2015 Value</i> | <i>2016 Value</i> | <i>Difference</i> | <i>Percent Change</i> |
| <i>Total Population</i> | \$2,552,166,400 | \$2,649,254,900 | \$97,088,500 | 3.80% |

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

RCW 84.36.005

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

RCW 36.21.080

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

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

Property Rights Appraised

Fee Simple

Wash Constitution Article 7 § 1 Taxation:

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

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

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

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

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

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

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

Assumptions and Limiting Conditions

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

materials be found (unless specifically noted). We urge the taxpayer to retain an expert in the field and submit data affecting value to the assessor.

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

Scope of Work Performed

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

Certification

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

- The statements of fact contained in this report are true and correct
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and 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.
- 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:

Physical inspection revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification and new construction evaluation.



3/31/16

Trevor Swedberg – Commercial Appraiser

Date

Area 075 - SE Lake Washington
2016 Assessment Year

| Parcel Number | Assessed Value | Sale Price | Sale Date | Ratio | Diff: Median |
|--------------------------|---------------------------|-------------------|----------------------|--------------|-------------------------|
| 000140-0022 | 273,700 | 260,000 | 3/30/2015 | 1.0527 | 0.0905 |
| 000140-0023 | 1,675,000 | 1,500,000 | 1/15/2013 | 1.1167 | 0.1545 |
| 032305-9028 | 1,700,000 | 1,795,000 | 3/2/2015 | 0.9471 | 0.0151 |
| 032305-9191 | 835,500 | 825,000 | 8/30/2013 | 1.0127 | 0.0506 |
| 037200-0094 | 448,800 | 460,000 | 1/28/2015 | 0.9757 | 0.0135 |
| 042305-9095 | 4,154,000 | 4,300,000 | 3/15/2013 | 0.9660 | 0.0039 |
| 052205-9314 | 1,095,000 | 1,100,000 | 8/8/2013 | 0.9955 | 0.0333 |
| 062206-9061 | 289,200 | 285,000 | 1/30/2013 | 1.0147 | 0.0526 |
| 062306-9027 | 1,102,300 | 1,076,000 | 5/29/2013 | 1.0244 | 0.0623 |
| 082205-9280 | 1,056,700 | 1,200,000 | 8/1/2013 | 0.8806 | 0.0816 |
| 092305-9177 | 4,015,100 | 4,099,250 | 1/11/2013 | 0.9795 | 0.0173 |
| 102405-9108 | 6,703,200 | 9,500,000 | 8/11/2015 | 0.7056 | 0.2565 |
| 118000-0285 | 3,001,900 | 2,950,000 | 1/23/2014 | 1.0176 | 0.0554 |
| 118000-1765 | 1,266,500 | 1,200,000 | 3/21/2014 | 1.0554 | 0.0933 |
| 128360-0040 | 8,984,500 | 13,825,000 | 6/19/2015 | 0.6499 | 0.3123 |
| 142405-9106 | 758,500 | 1,100,000 | 6/12/2015 | 0.6895 | 0.2726 |
| 152306-9039 | 608,600 | 595,000 | 9/17/2013 | 1.0229 | 0.0607 |
| 162405-9070 | 796,600 | 830,000 | 6/27/2013 | 0.9598 | 0.0024 |
| 162405-9213 | 1,063,800 | 1,500,000 | 11/18/2015 | 0.7092 | 0.2529 |
| 172305-9094 | 511,200 | 417,000 | 5/13/2015 | 1.2259 | 0.2638 |
| 202305-9097 | 1,046,300 | 900,000 | 3/10/2015 | 1.1626 | 0.2004 |
| 202306-9041 | 717,000 | 650,000 | 7/16/2015 | 1.1031 | 0.1409 |
| 212405-9045 | 1,693,200 | 1,680,000 | 1/2/2014 | 1.0079 | 0.0457 |
| 220050-0080 | 2,872,600 | 3,150,000 | 3/20/2013 | 0.9119 | 0.0502 |
| 220150-1408 | 13,318,300 | 15,000,000 | 12/16/2014 | 0.8879 | 0.0743 |
| 220550-0615 | 552,000 | 640,000 | 6/23/2015 | 0.8625 | 0.0996 |
| 220730-0010 | 1,535,900 | 1,600,000 | 5/10/2013 | 0.9599 | 0.0022 |
| 246030-0270 | 1,135,200 | 1,255,000 | 12/31/2013 | 0.9045 | 0.0576 |
| 247390-0020 | 6,374,700 | 6,645,000 | 7/25/2013 | 0.9593 | 0.0028 |
| 247390-0030 | 1,380,100 | 1,408,815 | 12/4/2013 | 0.9796 | 0.0175 |
| 292305-9072 | 1,485,300 | 1,355,000 | 12/3/2014 | 1.0962 | 0.1340 |
| 312305-9103 | 2,466,000 | 2,400,000 | 2/12/2015 | 1.0275 | 0.0654 |
| 334210-3251 | 571,700 | 795,000 | 2/19/2015 | 0.7191 | 0.2430 |
| 334210-3257 | 336,000 | 366,000 | 10/22/2015 | 0.9180 | 0.0441 |
| 413680-0140 | 480,300 | 600,000 | 2/9/2015 | 0.8005 | 0.1616 |
| 413942-0750 | 5,965,300 | 6,200,000 | 12/10/2013 | 0.9621 | 0.0000 |
| 418230-0140 | 81,200 | 80,000 | 6/3/2013 | 1.0150 | 0.0529 |
| 420240-1500 | 894,900 | 825,000 | 11/16/2015 | 1.0847 | 0.1226 |
| 512690-0505 | 542,900 | 610,000 | 1/16/2014 | 0.8900 | 0.0721 |
| 517630-0028 | 2,592,500 | 2,550,000 | 3/12/2015 | 1.0167 | 0.0545 |
| 531510-0498 | 1,149,900 | 1,224,000 | 12/1/2014 | 0.9395 | 0.0227 |
| 545230-0365 | 1,884,100 | 2,115,000 | 2/24/2015 | 0.8908 | 0.0713 |
| 545230-0405 | 2,126,900 | 2,300,000 | 2/6/2014 | 0.9247 | 0.0374 |
| 545230-0540 | 1,045,600 | 1,100,000 | 12/18/2013 | 0.9505 | 0.0116 |
| 545330-0141 | 2,637,400 | 3,000,000 | 10/11/2013 | 0.8791 | 0.0830 |
| 545330-0143 | 1,779,100 | 1,700,000 | 12/23/2013 | 1.0465 | 0.0844 |

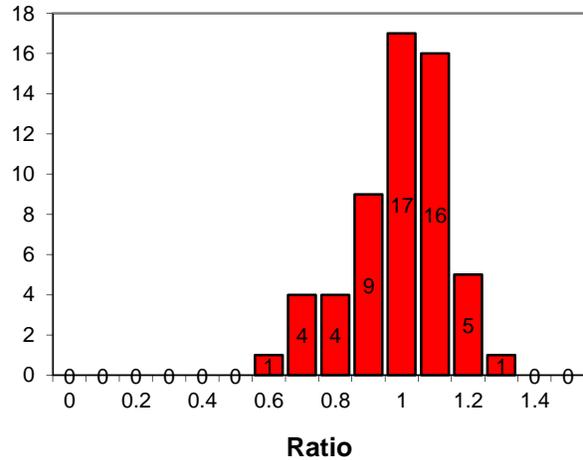
Area 075 - SE Lake Washington
2016 Assessment Year

| | | | | | |
|-------------|-----------|-----------|------------|--------|--------|
| 545330-0167 | 3,667,200 | 5,947,695 | 8/3/2015 | 0.6166 | 0.3456 |
| 545330-0311 | 1,283,000 | 1,900,000 | 9/23/2015 | 0.6753 | 0.2869 |
| 722400-0210 | 756,200 | 780,000 | 1/28/2014 | 0.9695 | 0.0073 |
| 722400-0230 | 344,700 | 299,950 | 7/9/2015 | 1.1492 | 0.1870 |
| 722400-0580 | 1,141,700 | 1,350,000 | 6/30/2015 | 0.8457 | 0.1164 |
| 722400-0860 | 450,700 | 385,000 | 11/21/2013 | 1.1706 | 0.2085 |
| 722790-0016 | 519,200 | 665,999 | 11/23/2015 | 0.7796 | 0.1826 |
| 722790-0093 | 718,600 | 700,000 | 11/14/2013 | 1.0266 | 0.0644 |
| 756510-0045 | 142,200 | 140,000 | 3/3/2015 | 1.0157 | 0.0536 |
| 759810-0310 | 3,962,500 | 4,500,000 | 11/6/2014 | 0.8806 | 0.0816 |
| 883990-0040 | 1,847,000 | 3,300,000 | 6/24/2015 | 0.5597 | 0.4024 |

Area 075 - SE Lake Washington
2016 Assessment Year

| | | | |
|-------------------------------------|--------------------------------|----------------------------------|--|
| Quadrant/Crew: South Crew | Appr date : 1/1/2015 | Date: 4/14/2016 | Sales Dates: 1/1/13 - 03/31/16 |
| Area 75 | Appr ID: TSWE | Prop Type: Improvement | Trend used?: Y / N N |
| SAMPLE STATISTICS | | | |
| Sample size (n) | 57 | | |
| Mean Assessed Value | 1,962,100 | | |
| Mean Sales Price | 2,262,000 | | |
| Standard Deviation AV | 2,353,785 | | |
| Standard Deviation SP | 2,966,052 | | |
| ASSESSMENT LEVEL | | | |
| Arithmetic mean ratio | 0.940 | | |
| Median Ratio | 0.962 | | |
| Weighted Mean Ratio | 0.867 | | |
| UNIFORMITY | | | |
| Lowest ratio | 0.5597 | | |
| Highest ratio: | 1.2259 | | |
| Coefficient of Dispersion | 11.00% | | |
| Standard Deviation | 0.1434 | | |
| Coefficient of Variation | 15.25% | | |
| Price-related Differential | 1.08 | | |
| RELIABILITY | | | |
| 95% Confidence: Median | | | |
| Lower limit | 0.918 | | |
| Upper limit | 1.013 | | |
| 95% Confidence: Mean | | | |
| Lower limit | 0.903 | | |
| Upper limit | 0.977 | | |
| SAMPLE SIZE EVALUATION | | | |
| N (population size) | 1309 | | |
| B (acceptable error - in decimal) | 0.05 | | |
| S (estimated from this sample) | 0.1434 | | |
| Recommended minimum: | 32 | | |
| Actual sample size: | 57 | | |
| Conclusion: | OK | | |
| NORMALITY | | | |
| Binomial Test | | | |
| # ratios below mean: | 23 | | |
| # ratios above mean: | 34 | | |
| z: | 1.324532357 | | |
| Conclusion: | Normal* | | |
| *i.e., no evidence of non-normality | | | |

Ratio Frequency



These figures reflect measurements before posting new values.

Area 075 - SE Lake Washington
2016 Assessment Year

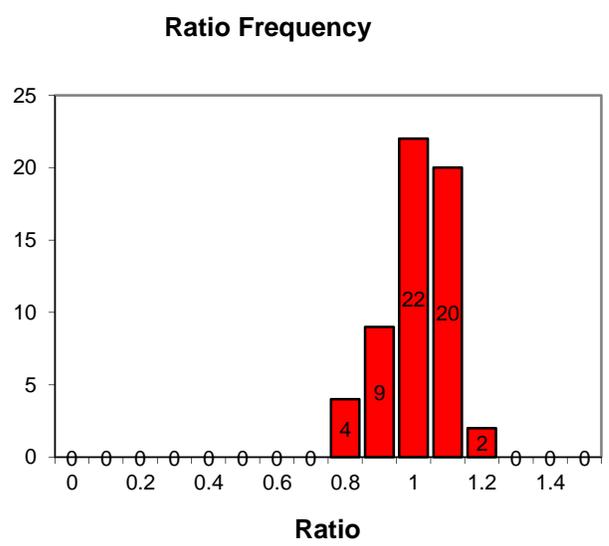
| Parcel Number | Assessed Value | Sale Price | Sale Date | Ratio | Diff: Median |
|----------------------|-----------------------|-------------------|------------------|--------------|---------------------|
| 000140-0022 | 271,700 | 260,000 | 3/30/2015 | 1.0450 | 0.0693 |
| 000140-0023 | 1,635,400 | 1,500,000 | 1/15/2013 | 1.0903 | 0.1146 |
| 032305-9028 | 1,700,000 | 1,795,000 | 3/2/2015 | 0.9471 | 0.0286 |
| 032305-9191 | 863,400 | 825,000 | 8/30/2013 | 1.0465 | 0.0709 |
| 037200-0094 | 448,800 | 460,000 | 1/28/2015 | 0.9757 | 0.0000 |
| 042305-9095 | 4,292,500 | 4,300,000 | 3/15/2013 | 0.9983 | 0.0226 |
| 052205-9314 | 1,095,000 | 1,100,000 | 8/8/2013 | 0.9955 | 0.0198 |
| 062206-9061 | 282,900 | 285,000 | 1/30/2013 | 0.9926 | 0.0170 |
| 062306-9027 | 1,092,200 | 1,076,000 | 5/29/2013 | 1.0151 | 0.0394 |
| 082205-9280 | 1,022,400 | 1,200,000 | 8/1/2013 | 0.8520 | 0.1237 |
| 092305-9177 | 4,162,500 | 4,099,250 | 1/11/2013 | 1.0154 | 0.0398 |
| 102405-9108 | 7,660,800 | 9,500,000 | 8/11/2015 | 0.8064 | 0.1693 |
| 118000-0285 | 3,260,200 | 2,950,000 | 1/23/2014 | 1.1052 | 0.1295 |
| 118000-1765 | 1,244,200 | 1,200,000 | 3/21/2014 | 1.0368 | 0.0612 |
| 128360-0040 | 12,087,100 | 13,825,000 | 6/19/2015 | 0.8743 | 0.1014 |
| 142405-9106 | 951,000 | 1,100,000 | 6/12/2015 | 0.8645 | 0.1111 |
| 152306-9039 | 640,200 | 595,000 | 9/17/2013 | 1.0760 | 0.1003 |
| 162405-9070 | 796,600 | 830,000 | 6/27/2013 | 0.9598 | 0.0159 |
| 162405-9213 | 1,102,100 | 1,500,000 | 11/18/2015 | 0.7347 | 0.2409 |
| 172305-9094 | 468,600 | 417,000 | 5/13/2015 | 1.1237 | 0.1481 |
| 202305-9097 | 927,800 | 900,000 | 3/10/2015 | 1.0309 | 0.0552 |
| 202306-9041 | 696,600 | 650,000 | 7/16/2015 | 1.0717 | 0.0960 |
| 212405-9045 | 1,674,600 | 1,680,000 | 1/2/2014 | 0.9968 | 0.0211 |
| 220050-0080 | 3,111,900 | 3,150,000 | 3/20/2013 | 0.9879 | 0.0123 |
| 220150-1408 | 14,250,000 | 15,000,000 | 12/16/2014 | 0.9500 | 0.0257 |
| 220550-0615 | 552,000 | 640,000 | 6/23/2015 | 0.8625 | 0.1132 |
| 220730-0010 | 1,535,800 | 1,600,000 | 5/10/2013 | 0.9599 | 0.0158 |
| 246030-0270 | 1,166,200 | 1,255,000 | 12/31/2013 | 0.9292 | 0.0464 |
| 247390-0020 | 6,559,200 | 6,645,000 | 7/25/2013 | 0.9871 | 0.0114 |
| 247390-0030 | 1,426,100 | 1,408,815 | 12/4/2013 | 1.0123 | 0.0366 |
| 292305-9072 | 1,429,700 | 1,355,000 | 12/3/2014 | 1.0551 | 0.0795 |
| 312305-9103 | 2,466,000 | 2,400,000 | 2/12/2015 | 1.0275 | 0.0518 |
| 334210-3251 | 610,300 | 795,000 | 2/19/2015 | 0.7677 | 0.2080 |
| 334210-3257 | 336,000 | 366,000 | 10/22/2015 | 0.9180 | 0.0576 |
| 413680-0140 | 485,900 | 600,000 | 2/9/2015 | 0.8098 | 0.1658 |
| 413942-0750 | 5,792,300 | 6,200,000 | 12/10/2013 | 0.9342 | 0.0414 |
| 418230-0140 | 81,200 | 80,000 | 6/3/2013 | 1.0150 | 0.0393 |
| 420240-1500 | 804,000 | 825,000 | 11/16/2015 | 0.9745 | 0.0011 |
| 512690-0505 | 561,600 | 610,000 | 1/16/2014 | 0.9207 | 0.0550 |
| 517630-0028 | 2,555,300 | 2,550,000 | 3/12/2015 | 1.0021 | 0.0264 |
| 531510-0498 | 1,337,100 | 1,224,000 | 12/1/2014 | 1.0924 | 0.1167 |
| 545230-0365 | 1,950,700 | 2,115,000 | 2/24/2015 | 0.9223 | 0.0533 |
| 545230-0405 | 2,126,900 | 2,300,000 | 2/6/2014 | 0.9247 | 0.0509 |
| 545230-0540 | 1,045,600 | 1,100,000 | 12/18/2013 | 0.9505 | 0.0251 |
| 545330-0141 | 2,672,900 | 3,000,000 | 10/11/2013 | 0.8910 | 0.0847 |
| 545330-0143 | 1,784,400 | 1,700,000 | 12/23/2013 | 1.0496 | 0.0740 |

Area 075 - SE Lake Washington
2016 Assessment Year

| | | | | | |
|-------------|-----------|-----------|------------|--------|--------|
| 545330-0167 | 4,450,500 | 5,947,695 | 8/3/2015 | 0.7483 | 0.2274 |
| 545330-0311 | 1,667,600 | 1,900,000 | 9/23/2015 | 0.8777 | 0.0980 |
| 722400-0210 | 782,300 | 780,000 | 1/28/2014 | 1.0029 | 0.0273 |
| 722400-0230 | 305,700 | 299,950 | 7/9/2015 | 1.0192 | 0.0435 |
| 722400-0580 | 1,289,200 | 1,350,000 | 6/30/2015 | 0.9550 | 0.0207 |
| 722400-0860 | 413,900 | 385,000 | 11/21/2013 | 1.0751 | 0.0994 |
| 722790-0016 | 537,700 | 665,999 | 11/23/2015 | 0.8074 | 0.1683 |
| 722790-0093 | 742,600 | 700,000 | 11/14/2013 | 1.0609 | 0.0852 |
| 756510-0045 | 135,800 | 140,000 | 3/3/2015 | 0.9700 | 0.0057 |
| 759810-0310 | 4,156,100 | 4,500,000 | 11/6/2014 | 0.9236 | 0.0521 |
| 883990-0040 | 2,525,500 | 3,300,000 | 6/24/2015 | 0.7653 | 0.2103 |

Area 075 - SE Lake Washington
2016 Assessment Year

| | | | |
|-------------------------------------|--|----------------------------------|--|
| Quadrant/Crew: South Crew | Appr date : 1/1/2016 | Date: 4/14/2016 | Sales Dates: 1/1/13 - 03/31/16 |
| Area 75 | Appr ID: TSWE | Prop Type: Improvement | Trend used?: Y / N N |
| SAMPLE STATISTICS | | | |
| Sample size (n) | 57 | | |
| Mean Assessed Value | 2,105,700 | | |
| Mean Sales Price | 2,262,000 | | |
| Standard Deviation AV | 2,674,326 | | |
| Standard Deviation SP | 2,966,052 | | |
| ASSESSMENT LEVEL | | | |
| Arithmetic mean ratio | 0.961 | | |
| Median Ratio | 0.976 | | |
| Weighted Mean Ratio | 0.931 | | |
| UNIFORMITY | | | |
| Lowest ratio | 0.7347 | | |
| Highest ratio: | 1.1237 | | |
| Coefficient of Dispersion | 7.60% | | |
| Standard Deviation | 0.0948 | | |
| Coefficient of Variation | 9.86% | | |
| Price-related Differential | 1.03 | | |
| RELIABILITY | | | |
| 95% Confidence: Median | These figures reflect measurements after posting new values. | | |
| Lower limit | 0.947 | | |
| Upper limit | 1.003 | | |
| 95% Confidence: Mean | | | |
| Lower limit | 0.937 | | |
| Upper limit | 0.986 | | |
| SAMPLE SIZE EVALUATION | | | |
| N (population size) | 1309 | | |
| B (acceptable error - in decimal) | 0.05 | | |
| S (estimated from this sample) | 0.0948 | | |
| Recommended minimum: | 14 | | |
| Actual sample size: | 57 | | |
| Conclusion: | OK | | |
| NORMALITY | | | |
| Binomial Test | | | |
| # ratios below mean: | 26 | | |
| # ratios above mean: | 31 | | |
| z: | 0.529812943 | | |
| Conclusion: | Normal* | | |
| *i.e., no evidence of non-normality | | | |



Improvement Sales for Area 075 with Sales Used

04/14/2016

| Area | Nbhd | Major | Minor | Total NRA | E # | Sale Price | Sale Date | SP / NRA | Property Name | Zone | Par. Ct. | Ver. Code | Remarks |
|------|------|--------|-------|-----------|---------|--------------|-----------|------------|---------------------------------|-------|----------|-----------|--|
| 075 | 010 | 531510 | 0498 | 5,317 | 2703489 | \$1,224,000 | 12/01/14 | \$230.21 | WD INSURANCE | MF-2 | 1 | Y | |
| 075 | 010 | 545230 | 0365 | 5,006 | 2715757 | \$2,115,000 | 02/24/15 | \$422.49 | BOSSI JONES BLDG | TC | 1 | Y | |
| 075 | 010 | 545230 | 0405 | 7,533 | 2653237 | \$2,300,000 | 02/06/14 | \$305.32 | MEDICAL CLINIC | TC | 2 | Y | |
| 075 | 010 | 545230 | 0540 | 2,948 | 2646341 | \$1,100,000 | 12/18/13 | \$373.13 | SKELTON BUILDING | TC | 1 | Y | |
| 075 | 010 | 759810 | 0310 | 10,468 | 2699943 | \$4,500,000 | 11/06/14 | \$429.88 | CHRIST SCIENTIST CHURCH | R-9.6 | 1 | Y | |
| 075 | 020 | 102405 | 9108 | 26,600 | 2749945 | \$9,500,000 | 08/11/15 | \$357.14 | I-90 PARK PLAZA | OLB | 1 | Y | |
| 075 | 020 | 128360 | 0040 | 49,176 | 2738740 | \$13,825,000 | 06/19/15 | \$281.13 | NCR CORPORATION | O | 1 | Y | |
| 075 | 020 | 142405 | 9106 | 3,612 | 2737354 | \$1,100,000 | 06/12/15 | \$304.54 | COUGAR RIDGE MONTESSORI SC | R-5 | 1 | Y | |
| 075 | 020 | 162405 | 9070 | 2,276 | 2617312 | \$830,000 | 06/27/13 | \$364.67 | FACTORIA DENTISTRY | PO | 1 | Y | |
| 075 | 020 | 162405 | 9213 | 4,932 | 2767492 | \$1,500,000 | 11/18/15 | \$304.14 | CIAN PLAZA | CB | 1 | Y | |
| 075 | 020 | 220050 | 0080 | 10,064 | 2596314 | \$3,150,000 | 03/20/13 | \$313.00 | M AND H BUILDING | PO | 1 | Y | |
| 075 | 020 | 220150 | 1408 | 42,438 | 2706483 | \$15,000,000 | 12/16/14 | \$353.46 | OFFICE BUILDING | GC | 1 | Y | |
| 075 | 020 | 220550 | 0615 | 1,380 | 2738632 | \$640,000 | 06/23/15 | \$463.77 | SFR in Office Zoning | O | 1 | Y | |
| 075 | 020 | 220730 | 0010 | 0 | 2604539 | \$1,600,000 | 05/10/13 | \$0.00 | EASTGATE I-90 OFFICE BUILDINGS | PO | 1 | Y | |
| 075 | 020 | 413942 | 0750 | 20,857 | 2645573 | \$6,200,000 | 12/10/13 | \$297.26 | LAKEMONT PROFESSIONAL BLDG | CB | 1 | Y | |
| 075 | 020 | 517630 | 0028 | 0 | 2721437 | \$2,550,000 | 03/12/15 | \$0.00 | Sanctuary of Praise-LAND | R-5 | 6 | Y | |
| 075 | 020 | 545330 | 0141 | 18,578 | 2638575 | \$3,000,000 | 10/11/13 | \$161.48 | SUNSHINE BAKERY | LI | 2 | Y | |
| 075 | 020 | 545330 | 0143 | 9,786 | 2648141 | \$1,700,000 | 12/23/13 | \$173.72 | FACTORIA MFG INC | LI | 2 | Y | |
| 075 | 020 | 545330 | 0167 | 29,260 | 2747369 | \$5,947,695 | 08/03/15 | \$203.27 | CCS PRINTING | LI | 1 | Y | |
| 075 | 020 | 545330 | 0311 | 14,000 | 2757720 | \$1,900,000 | 09/23/15 | \$135.71 | Western Integrated Technologies | LI | 1 | Y | |
| 075 | 030 | 102405 | 9067 | 38,059 | 2606033 | \$4,989,000 | 05/17/13 | \$131.09 | LA FITNESS (NOW VACANT) | OLB | 1 | 34 | Use-change after sale; not in ratio |
| 075 | 035 | 246030 | 0230 | 4,060 | 2710348 | \$1,270,000 | 12/15/14 | \$312.81 | FAIRLAKE PROFESSIONAL PLAZA | O | 1 | 26 | Imp changed after sale; not in ratio |
| 075 | 035 | 246030 | 0270 | 3,410 | 2648611 | \$1,255,000 | 12/31/13 | \$368.04 | FAIRLAKE PROFESSIONAL PLAZA | O | 1 | Y | |
| 075 | 035 | 883990 | 0040 | 6,400 | 2739817 | \$3,300,000 | 06/24/15 | \$515.63 | YI PIN RESTAURANT | CB | 1 | Y | |
| 075 | 040 | 118000 | 0285 | 1,772 | 2652025 | \$2,950,000 | 01/23/14 | \$1,664.79 | LAKE WASHINGTON BEACH MOBIL | R48 | 2 | Y | MH Park - 28 pads sold for \$105,357/pad |
| 075 | 040 | 172305 | 9094 | 3,690 | 2731489 | \$417,000 | 05/13/15 | \$113.01 | Reflexology Health Center | CA | 1 | Y | |
| 075 | 040 | 212405 | 9045 | 24,477 | 2648390 | \$1,680,000 | 01/02/14 | \$68.64 | BATTING CAGE | NB | 1 | Y | |
| 075 | 040 | 334210 | 3251 | 1,032 | 2715319 | \$795,000 | 02/19/15 | \$770.35 | KENNYDALE REALTY | CN | 1 | Y | |
| 075 | 040 | 334210 | 3257 | 960 | 2764383 | \$366,000 | 10/22/15 | \$381.25 | OFFICE | CN | 1 | Y | |
| 075 | 040 | 418230 | 0140 | 903 | 2613755 | \$80,000 | 06/03/13 | \$88.59 | LANE HANGAR CONDOMINIUM | IM | 1 | Y | |
| 075 | 040 | 722400 | 0210 | 3,446 | 2651980 | \$780,000 | 01/28/14 | \$226.35 | PARK DENTAL ASSOCIATES BUILD | CA | 1 | Y | |
| 075 | 040 | 722400 | 0230 | 1,728 | 2742216 | \$299,950 | 07/09/15 | \$173.58 | OFFICE BUILDING | R-10 | 1 | Y | |
| 075 | 040 | 722400 | 0580 | 6,486 | 2739853 | \$1,350,000 | 06/30/15 | \$208.14 | PARK AVENUE MARKET & COWGIF | CN | 1 | Y | |
| 075 | 040 | 722400 | 0860 | 1,224 | 2642868 | \$385,000 | 11/21/13 | \$314.54 | MA PRANG THAI RESTAURANT | CA | 2 | Y | |
| 075 | 040 | 756510 | 0045 | 560 | 2717653 | \$140,000 | 03/03/15 | \$250.00 | FIRST NAILS | CA | 1 | Y | |
| 075 | 050 | 000140 | 0022 | 1,120 | 2721720 | \$260,000 | 03/30/15 | \$232.14 | RON'S AUTO REBUILD | R24 | 1 | Y | |
| 075 | 050 | 000140 | 0023 | 28,574 | 2584700 | \$1,500,000 | 01/15/13 | \$52.50 | VALSPAR | I | 1 | Y | |
| 075 | 050 | 037200 | 0094 | 1,795 | 2711705 | \$460,000 | 01/28/15 | \$256.27 | Lavoz Hispanic Newspaper | CB | 1 | Y | |
| 075 | 050 | 118000 | 1765 | 5,606 | 2659412 | \$1,200,000 | 03/21/14 | \$214.06 | RETAIL/OFFICE BUILDING | CB | 2 | Y | |
| 075 | 050 | 217200 | 0665 | 3,280 | 2692678 | \$625,000 | 09/05/14 | \$190.55 | Skyway Sports Bar | CB | 1 | 34 | Use-change after sale; not in ratio |
| 075 | 050 | 413680 | 0140 | 4,030 | 2715738 | \$600,000 | 02/09/15 | \$148.88 | RETAIL & APARTMENTS | CB | 1 | Y | |

Improvement Sales for Area 075 with Sales Used

04/14/2016

| Area | Nbhd | Major | Minor | Total NRA | E # | Sale Price | Sale Date | SP / NRA | Property Name | Zone | Par. Ct. | Ver. Code | Remarks |
|------|------|--------|-------|-----------|---------|-------------|-----------|------------|--------------------------------|-------|----------|-----------|---|
| 075 | 050 | 420240 | 1500 | 5,001 | 2767575 | \$825,000 | 11/16/15 | \$164.97 | CHANG'S MONGOLIAN GRILL | CA | 1 | Y | |
| 075 | 060 | 032305 | 9028 | 2,360 | 2716825 | \$1,795,000 | 03/02/15 | \$760.59 | FIR GROVE MHP (32 SPACES; SW/ | R-4 | 1 | Y | |
| 075 | 060 | 032305 | 9191 | 4,298 | 2628174 | \$825,000 | 08/30/13 | \$191.95 | R & R RENTALS | CA | 1 | Y | |
| 075 | 060 | 042305 | 9095 | 16,723 | 2595444 | \$4,300,000 | 03/15/13 | \$257.13 | RITE AID (RENTON HIGHLANDS) | CV | 1 | Y | |
| 075 | 060 | 092305 | 9177 | 24,983 | 2587575 | \$4,099,250 | 01/11/13 | \$164.08 | CREATIVE WORKSPACE BUILDING | CA | 1 | Y | |
| 075 | 060 | 518210 | 0041 | 4,006 | 2698370 | \$2,945,000 | 10/17/14 | \$735.15 | KEY BANK RENTON HIGHLANDS | CA | 1 | 69 | Net Lease Sale; not in ratio |
| 075 | 060 | 722790 | 0016 | 3,890 | 2769263 | \$665,999 | 11/23/15 | \$171.21 | OFFICE BUILDING | CV | 1 | Y | |
| 075 | 060 | 722790 | 0093 | 5,545 | 2641920 | \$700,000 | 11/14/13 | \$126.24 | RETAIL BUILDING | CV | 1 | Y | |
| 075 | 065 | 052205 | 9314 | 0 | 2624262 | \$1,100,000 | 08/08/13 | \$0.00 | PARK 208 MOBILE HOME PARK (15 | MHP | 1 | Y | MH Park - 15 pads sold for \$73,333/pad |
| 075 | 065 | 082205 | 9280 | 8,864 | 2622249 | \$1,200,000 | 08/01/13 | \$135.38 | DIGITAL MUSIC SYSTEMS (ASSOC | CC-MU | 3 | Y | |
| 075 | 065 | 202305 | 9097 | 6,556 | 2718747 | \$900,000 | 03/10/15 | \$137.28 | EAGLE RIDGE PROFESSIONAL CEI | CA | 1 | Y | |
| 075 | 065 | 247390 | 0020 | 16,892 | 2620059 | \$6,645,000 | 07/25/13 | \$393.38 | RITE AID (FAIRWOOD STORE) | CB | 1 | Y | |
| 075 | 065 | 247390 | 0030 | 6,219 | 2644264 | \$1,408,815 | 12/04/13 | \$226.53 | AUTO ZONE (FAIRWOOD) | CB | 1 | Y | |
| 075 | 065 | 292305 | 9072 | 18,704 | 2703933 | \$1,355,000 | 12/03/14 | \$72.44 | Life Community Church | R-14 | 1 | Y | |
| 075 | 065 | 292305 | 9102 | 11,449 | 2671683 | \$1,720,800 | 06/02/14 | \$150.30 | FIRST PRESBYTERIAN CHURCH O | R-8 | 1 | 26 | Imp changed after sale; not in ratio |
| 075 | 065 | 312305 | 9103 | 13,406 | 2713626 | \$2,400,000 | 02/12/15 | \$179.02 | MEDICAL OFFICE | CO | 1 | Y | |
| 075 | 065 | 322305 | 9048 | 4,012 | 2646523 | \$600,000 | 12/16/13 | \$149.55 | AMERICAN BROKERS REAL ESTAT | CA | 2 | 26 | Imp changed after sale; not in ratio |
| 075 | 065 | 512690 | 0505 | 3,175 | 2651124 | \$610,000 | 01/16/14 | \$192.13 | HUMBLE OFFICE BUILDING | CN | 1 | Y | |
| 075 | 070 | 062206 | 9061 | 4,144 | 2588317 | \$285,000 | 01/30/13 | \$68.77 | FIRE STATION | RA5SO | 1 | Y | |
| 075 | 070 | 062306 | 9027 | 8,130 | 2609042 | \$1,076,000 | 05/29/13 | \$132.35 | QUARRY SHOP & OFFICE | M | 2 | Y | |
| 075 | 070 | 152306 | 9039 | 8,062 | 2632629 | \$595,000 | 09/17/13 | \$73.80 | HOME & TWO WAREHOUSE/OFFIC | NB | 1 | Y | |
| 075 | 070 | 202306 | 9041 | 7,200 | 2744461 | \$650,000 | 07/16/15 | \$90.28 | EVERGREEN COMMUNITY CHURC | RA5 | 2 | Y | |
| 075 | 070 | 242305 | 9017 | 3,940 | 2618257 | \$6,858,839 | 07/16/13 | \$1,740.82 | RIVERBEND MHP (106 PADS + 40 R | RA5 | 1 | 26 | Imp changed after sale; not in ratio |

Vacant Sales for Area 075 with Sales Used

04/14/2016

| Area | Nbhd. | Major | Minor | Land Area | E # | Sale Price | Sale Date | SP / Ld. Area | Property Name | Zone | Par. Ct. | Ver. Code | Remarks |
|------|-------|--------|-------|-----------|---------|--------------|-----------|------------------|---------------------------------------|-------|-------------|--------------|------------------------------------|
| 075 | 010 | 531510 | 0505 | 82,020 | 2692722 | \$8,653,356 | 09/29/14 | \$105.50 | Hudsmen Center | TC | 1 | Y | |
| 075 | 010 | 531510 | 0986 | 51,281 | 2649536 | \$2,350,000 | 12/27/13 | \$45.83 | SFR (TEAR DOWN) | MF-2 | 2 | Y | |
| 075 | 020 | 162405 | 9032 | 52,780 | 2714859 | \$2,900,000 | 02/13/15 | \$54.95 | VACANT MULTIFAMILY LAND (FACTO | R-20 | 1 | Y | |
| 075 | 035 | 352505 | 9057 | 22,500 | 2741046 | \$1,500,000 | 06/30/15 | \$66.67 | FUTURE KEY BANK KELSEY CREEK | NB | 1 | Y | |
| 075 | 040 | 135230 | 1275 | 14,859 | 2688628 | \$295,000 | 09/02/14 | \$19.85 | SFR in Commercial Zone | CA | 2 | Y | |
| 075 | 040 | 272405 | 9006 | 2,331,280 | 2709354 | \$25,000,000 | 01/09/15 | \$10.72 | Former NEWCASTLE BRICK PLANT | MU-R | 3 | Y | |
| 075 | 040 | 282405 | 9080 | 40,769 | 2658886 | \$1,400,000 | 03/25/14 | \$34.34 | SFR TEARDOWN ON OFFICE ZONED | O | 1 | Y | |
| 075 | 040 | 334450 | 0006 | 124,691 | 2701421 | \$1,500,000 | 11/14/14 | \$12.03 | VACANT LAND | UC-N2 | 2 | Y | |
| 075 | 040 | 334450 | 0007 | 55,002 | 2618894 | \$750,000 | 07/17/13 | \$13.64 | COMMERCIAL LAND W/COWGIRLS E | UC-N2 | 1 | Y | |
| 075 | 050 | 000140 | 0012 | 18,552 | 2682364 | \$90,000 | 07/21/14 | \$4.85 | VACANT | R24 | 1 | Y | |
| 075 | 050 | 122304 | 9177 | 183,192 | 2779128 | \$5,280,000 | 02/01/16 | \$28.82 | VACANT RESIDENTIAL | R6P | 1 | Y | |
| 075 | 050 | 132304 | 9071 | 12,786 | 2628837 | \$35,000 | 09/01/13 | \$2.74 | VACANT MULTI-FAMILY | R24 | 1 | Y | |
| 075 | 050 | 142304 | 9006 | 78,843 | 2715036 | \$420,000 | 02/19/15 | \$5.33 | VACANT LAND | R24 | 1 | Y | |
| 075 | 050 | 758020 | 0432 | 8,790 | 2716566 | \$186,000 | 02/26/15 | \$21.16 | ASPHALT PARKING | CBSO | 2 | Y | |
| 075 | 050 | 956480 | 0170 | 105,202 | 2705510 | \$560,000 | 12/04/14 | \$5.32 | VACANT | CA | 2 | Y | |
| 075 | 060 | 102305 | 9068 | 24,095 | 2673054 | \$274,000 | 06/09/14 | \$11.37 | SFR Teardown (Listed For Sale as Mixe | CA | 1 | Y | |
| 075 | 060 | 102305 | 9095 | 83,429 | 2723697 | \$215,000 | 04/08/15 | \$2.58 | VACANT-WETLAND | R-8 | 1 | Y | |
| 075 | 060 | 152305 | 9002 | 73,181 | 2705579 | \$495,000 | 12/08/14 | \$6.76 | VACANT LAND | CA | 2 | Y | |
| 075 | 060 | 311990 | 0005 | 38,910 | 2730434 | \$275,000 | 05/12/15 | \$7.07 | Vacant Multifamily Land | RM-F | 3 | Y | |
| 075 | 060 | 518210 | 0012 | 73,694 | 2734115 | \$945,000 | 05/19/15 | \$12.82 | SFR TEARDOWN CA ZONED LAND (V | CA | 3 | Y | |
| 075 | 060 | 518210 | 0021 | 223,076 | 2633588 | \$1,300,000 | 09/19/13 | \$5.83 | VACANT COMMERCIAL LAND | CA | 3 | Y | |
| 075 | 060 | 518210 | 0043 | 31,243 | 2732429 | \$700,000 | 05/15/15 | \$22.41 | KEYBANK VACANT LAND | CA | 1 | Y | |
| 075 | 060 | 722780 | 1780 | 18,292 | 2736372 | \$347,548 | 06/02/15 | \$19.00 | VACANT LAND | CV | 1 | Y | |
| 075 | 065 | 052205 | 9079 | 50,077 | 2656895 | \$250,000 | 02/25/14 | \$4.99 | VACANT LAND | MR-M | 1 | Y | |
| 075 | 065 | 202305 | 9131 | 79,589 | 2633318 | \$685,000 | 09/27/13 | \$8.61 | VACANT LAND | CA | 2 | Y | |
| 075 | 065 | 272305 | 9049 | 73,180 | 2738491 | \$205,000 | 06/15/15 | \$2.80 | VACANT LAND (WETLAND & IMPACT | R18 | 1 | Y | |
| 075 | 065 | 292305 | 9009 | 164,828 | 2768843 | \$1,430,000 | 11/23/15 | \$8.68 | VACANT LAND | RM-F | 2 | Y | |
| 075 | 065 | 292305 | 9042 | 76,615 | 2716065 | \$1,850,000 | 02/23/15 | \$24.15 | VACANT LAND plus Mobile Espresso S | CA | 1 | Y | |
| 075 | 065 | 292305 | 9125 | 131,339 | 2630128 | \$5,400,000 | 09/04/13 | \$41.11 | VALLEY HILL PLAZA SHOPPING CEN | CA | 1 | 29 | Seg/merge after sale; not in ratio |
| 075 | 065 | 312305 | 9090 | 44,866 | 2690207 | \$985,000 | 09/05/14 | \$21.95 | VACANT MULTIFAMILY LAND | RM-F | 1 | Y | |
| 075 | 070 | 332306 | 9077 | 21,780 | 2681380 | \$5,000 | 07/18/14 | \$0.23 | VACANT MINERAL LAND | M | 1 | Y | |
| 075 | 070 | 332306 | 9078 | 43,560 | 2681376 | \$10,000 | 07/18/14 | \$0.23 | VACANT MINERAL PARCEL (IMPACT | M | 1 | Y | |
| 075 | 070 | 332306 | 9080 | 1,031,790 | 2709379 | \$500,000 | 12/31/14 | \$0.48 | VACANT MINERAL LAND | M | 1 | Y | |

Improvement Sales for Area 075 with Sales not Used

04/14/2016

| Area | Nbhd | Major | Minor | Total NRA | E # | Sale Price | Sale Date | SP / NRA | Property Name | Zone | Par. Ct. | Ver. Code | Remarks |
|------|------|--------|-------|-----------|---------|--------------|-----------|----------|---------------------------------------|-------|----------|-----------|------------------------------------|
| 075 | 010 | 122404 | 9055 | 32,157 | 2619862 | \$10,000 | 07/01/13 | \$0.31 | MERCER ISLAND PRESBYTERIAN CHURCH | R-9.6 | 1 | 24 | Easement or right-of-way |
| 075 | 010 | 531510 | 1235 | 1,168 | 2652472 | \$31,299 | 12/04/13 | \$26.80 | TULLY'S COFFEE SHOP | TC | 1 | 51 | Related party, friend, or neighbor |
| 075 | 010 | 545230 | 0156 | 3,683 | 2726540 | \$1,000,000 | 04/21/15 | \$271.52 | MERCER PARK PROF BLDG | MF-2 | 1 | 22 | Partial interest (1/3, 1/2, etc.) |
| 075 | 010 | 769844 | 0020 | 0 | 2599881 | \$1,400,000 | 04/15/13 | \$0.00 | 7800 PLAZA CONDOMINIUM | TC | 2 | 61 | Financial institution resale |
| 075 | 020 | 102405 | 9060 | 28,600 | 2633596 | \$8,000,000 | 09/30/13 | \$279.72 | CHAMPIONS CENTRE CHURCH | PO | 1 | 17 | Non-profit organization |
| 075 | 020 | 102405 | 9098 | 40,697 | 2779420 | \$19,700,000 | 02/09/16 | \$484.07 | CHESTNUT HILL ACADEMY SCHOOL | LI | 1 | | Sale after assessment date |
| 075 | 020 | 112405 | 9079 | 21,200 | 2776231 | \$8,238,000 | 01/08/16 | \$388.58 | EASTGATE CORPORATE CENTER | O | 1 | | Sale after assessment date |
| 075 | 030 | 102405 | 9063 | 66,080 | 2606041 | \$4,000,000 | 05/17/13 | \$60.53 | PARKING GARAGE (ASSOC W/9067) | OLB | 1 | 15 | No market exposure |
| 075 | 035 | 246030 | 0210 | 2,950 | 2709317 | \$8,654 | 12/19/14 | \$2.93 | FAIRLAKE PROFESSIONAL PLAZA | O | 1 | 24 | Easement or right-of-way |
| 075 | 035 | 246030 | 0220 | 3,275 | 2709319 | \$11,253 | 12/19/14 | \$3.44 | FAIRLAKE PROFESSIONAL PLAZA | O | 1 | 24 | Easement or right-of-way |
| 075 | 035 | 246030 | 0230 | 4,060 | 2619586 | \$14,043 | 06/24/13 | \$3.46 | FAIRLAKE PROFESSIONAL PLAZA | O | 1 | 24 | Easement or right-of-way |
| 075 | 040 | 082305 | 9087 | 2,400 | 2765821 | \$159,000 | 10/26/15 | \$66.25 | 7-11 STORE | CA | 1 | 59 | Bulk portfolio sale |
| 075 | 040 | 082305 | 9087 | 2,400 | 2765822 | \$263,000 | 10/26/15 | \$109.58 | 7-11 STORE | CA | 1 | 59 | Bulk portfolio sale |
| 075 | 040 | 135230 | 1245 | 1,425 | 2779074 | \$494,000 | 02/02/16 | \$346.67 | FRIEDEL'S AUTOMOTIVE | CA | 1 | Y | Sale after assessment date |
| 075 | 040 | 334210 | 3257 | 960 | 2599824 | \$240,000 | 04/11/13 | \$250.00 | Retail Buliding (Lawn shop & offices) | CN | 1 | 51 | Related party, friend, or neighbor |
| 075 | 040 | 722400 | 0045 | 11,007 | 2760804 | \$599,800 | 10/09/15 | \$54.49 | RETAIL & RESIDENCES | CA | 1 | 46 | Non-representative sale |
| 075 | 040 | 722400 | 0620 | 2,432 | 2765546 | \$447,015 | 11/06/15 | \$183.81 | RESIDENCE AND DOG GROOMING | CA | 1 | 68 | Non-gov't to gov't |
| 075 | 050 | 122304 | 9032 | 40,459 | 2639379 | \$1,950,000 | 10/12/13 | \$48.20 | LUCKY DRAGONZ CASINO | CBSO | 2 | 46 | Non-representative sale |
| 075 | 050 | 758020 | 0275 | 9,729 | 2749280 | \$1,499,900 | 08/13/15 | \$154.17 | SKYWAY BAPTIST CHURCH | R6P | 2 | 17 | Non-profit organization |
| 075 | 065 | 008700 | 0335 | 3,460 | 2601792 | \$300,000 | 04/23/13 | \$86.71 | EMPTY RETAIL/OFFICE BUILDING | CN | 1 | 61 | Financial institution resale |
| 075 | 065 | 312305 | 9040 | 25,082 | 2737846 | \$5,050,000 | 06/15/15 | \$201.34 | VALLEY MEDICAL & DENTAL | CO | 2 | 46 | Non-representative sale |
| 075 | 065 | 322305 | 9065 | 17,713 | 2699100 | \$506,938 | 10/30/14 | \$28.62 | BENSON PLAZA (SHELL, AUTO, BA | CA | 1 | 22 | Partial interest (1/3, 1/2, etc.) |
| 075 | 065 | 322305 | 9065 | 17,713 | 2670488 | \$543,061 | 05/01/14 | \$30.66 | BENSON PLAZA (SHELL, AUTO, BA | CA | 1 | 33 | Lease or lease-hold |
| 075 | 070 | 192306 | 9029 | 1,550 | 2585673 | \$400,000 | 01/15/13 | \$258.06 | OFFICE BUILDING (VACANT) | RA5 | 1 | 61 | Financial institution resale |

Vacant Sales for Area 075 with Sales not Used

04/14/2016

| Area | Nbhd. | Major | Minor | Land Area | E # | Sale Price | Sale Date | SP / Ld. Area | Property Name | Zone | Par. Ct. | Ver. Code | Remarks |
|------|-------|--------|-------|-----------|---------|-------------|-----------|------------------|------------------------------------|-------|-------------|--------------|------------------------------------|
| 075 | 035 | 352505 | 9061 | 393,782 | 2763543 | \$150,000 | 10/23/15 | \$0.38 | VACANT LAND | R-10 | 1 | 51 | Related party, friend, or neighbor |
| 075 | 040 | 182305 | 9264 | 26,445 | 2681172 | \$42,206 | 07/17/14 | \$1.60 | RW | UC-N1 | 1 | 46 | Non-representative sale |
| 075 | 040 | 182305 | 9264 | 26,445 | 2683016 | \$42,206 | 07/28/14 | \$1.60 | Vacant Land | UC-N1 | 1 | 21 | Trade |
| 075 | 040 | 334330 | 1150 | 81,588 | 2583385 | \$670,000 | 01/02/13 | \$8.21 | VACANT EXIT 7 LAND (WETLANDS C | CA | 1 | 61 | Financial institution resale |
| 075 | 040 | 334570 | 0075 | 75,480 | 2677197 | \$46,875 | 06/30/14 | \$0.62 | Vacant Commercial Land | CA | 1 | 22 | Partial interest (1/3, 1/2, etc.) |
| 075 | 040 | 334570 | 0075 | 75,480 | 2677198 | \$1,562 | 06/25/14 | \$0.02 | Vacant Commercial Land | CA | 1 | 22 | Partial interest (1/3, 1/2, etc.) |
| 075 | 040 | 334570 | 0075 | 75,480 | 2677199 | \$1,562 | 06/25/14 | \$0.02 | Vacant Commercial Land | CA | 1 | 22 | Partial interest (1/3, 1/2, etc.) |
| 075 | 050 | 112304 | 9095 | 101,141 | 2785312 | \$740,000 | 03/17/16 | \$7.32 | VACANT | NB | 1 | | Sale after assessment date |
| 075 | 050 | 322405 | 9010 | 249,600 | 2729307 | \$785,000 | 04/28/15 | \$3.15 | VACANT LAND (WETLANDS & STREA | CA | 1 | 68 | Non-gov't to gov't |
| 075 | 060 | 518210 | 0016 | 54,737 | 2775970 | \$1,225,000 | 01/08/16 | \$22.38 | Assoc parking for Les Schwab -0010 | CA | 2 | 11 | Corporate affiliates |
| 075 | 065 | 322305 | 9205 | 6,300 | 2626313 | \$55,000 | 08/19/13 | \$8.73 | PARKING LOT FOR MINOR 9048 | CA | 1 | 24 | Easement or right-of-way |
| 075 | 065 | 332306 | 9083 | 827,640 | 2617047 | \$150,000 | 07/08/13 | \$0.18 | VACANT RA5 LAND (POSSIBLE WET | RA5 | 1 | 29 | Seg after sale. |
| 075 | 065 | 662340 | 0180 | 34,873 | 2776760 | \$1,325,000 | 01/19/16 | \$38.00 | MEDICAL CENTER PARKING (ASSOC | CN | 2 | | Sale after assessment date |
| 075 | 070 | 052306 | 9030 | 4,487,551 | 2704134 | \$2,163,676 | 11/26/14 | \$0.48 | VACANT LAND | RA5 | 1 | 68 | Non-gov't to gov't |
| 075 | 070 | 222306 | 9095 | 273,556 | 2788461 | \$250,000 | 03/31/16 | \$0.91 | VACANT LAND (WETLAND) | NB | 1 | | Sale after assessment date |

Physically Inspected Parcels for 2016

Area 75-10 (Mercer Island) and a portion of 75-20 (Eastgate/Factoria)

| Area | Nbhd | Major | Minor | AddrLine |
|------|------|--------|-------|--------------------|
| 75 | 10 | 082405 | 9039 | 10075 E MERCER WAY |
| 75 | 10 | 082405 | 9045 | 3700 E MERCER WAY |
| 75 | 10 | 122404 | 9055 | 3605 84TH AVE SE |
| 75 | 10 | 122404 | 9057 | |
| 75 | 10 | 122404 | 9071 | 3853 84TH AVE SE |
| 75 | 10 | 151560 | 0010 | 3700 E MERCER WAY |
| 75 | 10 | 151560 | 0080 | 3701 E MERCER WAY |
| 75 | 10 | 210700 | 0010 | 3700 E MERCER WAY |
| 75 | 10 | 217450 | 2425 | 2825 W MERCER WAY |
| 75 | 10 | 265550 | 0045 | 9311 SE 36TH ST |
| 75 | 10 | 265550 | 0055 | 9421 SE 36TH ST |
| 75 | 10 | 265550 | 0057 | 9423 SE 36TH ST |
| 75 | 10 | 265550 | 0065 | 9555 SE 36TH ST |
| 75 | 10 | 265550 | 0095 | 9675 SE 36TH ST |
| 75 | 10 | 265550 | 0097 | 9655 SE 36TH ST |
| 75 | 10 | 265550 | 0110 | 9725 SE 36TH ST |
| 75 | 10 | 265550 | 0115 | 9735 SE 36TH ST |
| 75 | 10 | 265550 | 0137 | 3801 E MERCER WAY |
| 75 | 10 | 302405 | 9054 | 6835 SE 68TH ST |
| 75 | 10 | 302405 | 9095 | 8477 SE 68TH ST |
| 75 | 10 | 302405 | 9225 | 8411 SE 68TH ST |
| 75 | 10 | 330770 | 0190 | 7070 SE 24TH ST |
| 75 | 10 | 362250 | 0126 | 4301 88TH AVE SE |
| 75 | 10 | 435130 | 0740 | 5017 90TH AVE SE |
| 75 | 10 | 531510 | 0165 | 7420 SE 24TH ST |
| 75 | 10 | 531510 | 0166 | |
| 75 | 10 | 531510 | 0201 | 1836 72ND AVE SE |
| 75 | 10 | 531510 | 0445 | 7419 SE 24TH ST |
| 75 | 10 | 531510 | 0498 | 7426 SE 27TH ST |
| 75 | 10 | 531510 | 0547 | 2411 76TH AVE SE |
| 75 | 10 | 531510 | 1076 | 7700 SE 29TH ST |
| 75 | 10 | 531510 | 1085 | 3001 78TH AVE SE |
| 75 | 10 | 531510 | 1095 | 3010 77TH AVE SE |
| 75 | 10 | 531510 | 1105 | 3023 78TH AVE SE |
| 75 | 10 | 531510 | 1135 | 3024 78TH AVE SE |
| 75 | 10 | 531510 | 1137 | 3006 78TH AVE SE |
| 75 | 10 | 531510 | 1165 | 3040 78TH AVE SE |
| 75 | 10 | 531510 | 1175 | 3044 78TH AVE SE |
| 75 | 10 | 531510 | 1218 | 2918 78TH AVE SE |
| 75 | 10 | 531510 | 1219 | 2900 78TH AVE SE |
| 75 | 10 | 531510 | 1235 | 7810 SE 27TH ST |
| 75 | 10 | 531510 | 1275 | 7707 SE 27TH ST |
| 75 | 10 | 531510 | 1295 | 2737 78TH AVE SE |
| 75 | 10 | 531510 | 1316 | 2750 77TH AVE SE |
| 75 | 10 | 531510 | 1325 | 2728 77TH AVE SE |

Physically Inspected Parcels for 2016

Area 75-10 (Mercer Island) and a portion of 75-20 (Eastgate/Factoria)

| Area | Nbhd | Major | Minor | AddrLine |
|------|------|--------|-------|-----------------------|
| 75 | 10 | 531510 | 1326 | 2885 78TH AVE SE |
| 75 | 10 | 531510 | 1335 | 7605 SE 27TH ST |
| 75 | 10 | 531510 | 1425 | 2737 77TH AVE SE |
| 75 | 10 | 531510 | 1435 | 2729 77TH AVE SE |
| 75 | 10 | 531510 | 1440 | 2731 77TH AVE SE |
| 75 | 10 | 531510 | 1445 | 7667 SE 27TH ST |
| 75 | 10 | 531510 | 1485 | 2448 76TH AVE SE |
| 75 | 10 | 531510 | 1495 | 7620 SE 27TH ST |
| 75 | 10 | 531510 | 1506 | 2690 76TH AVE SE |
| 75 | 10 | 531510 | 1535 | |
| 75 | 10 | 531510 | 1605 | |
| 75 | 10 | 531510 | 1615 | 7785 SUNSET HWY |
| 75 | 10 | 531510 | 1625 | |
| 75 | 10 | 545030 | 0160 | 8501 SE 40TH ST |
| 75 | 10 | 545110 | 0575 | 8700 SE 71ST ST |
| 75 | 10 | 545230 | 0156 | 3003 81ST PL SE |
| 75 | 10 | 545230 | 0166 | 3035 ISLAND CREST WAY |
| 75 | 10 | 545230 | 0305 | 3003 80TH AVE SE |
| 75 | 10 | 545230 | 0310 | 3023 80TH AVE SE |
| 75 | 10 | 545230 | 0335 | 3027 80TH AVE SE |
| 75 | 10 | 545230 | 0365 | 7834 SE 32ND ST |
| 75 | 10 | 545230 | 0395 | 2815 80TH AVE SE |
| 75 | 10 | 545230 | 0405 | 2825 80TH AVE SE |
| 75 | 10 | 545230 | 0416 | 2827 80TH AVE SE |
| 75 | 10 | 545230 | 0420 | 2855 80TH AVE SE |
| 75 | 10 | 545230 | 0455 | 8005 SE 28TH ST |
| 75 | 10 | 545230 | 0470 | 8015 SE 28TH ST |
| 75 | 10 | 545230 | 0540 | 2856 80TH AVE SE |
| 75 | 10 | 545230 | 0555 | 2830 80TH AVE SE |
| 75 | 10 | 545230 | 0572 | |
| 75 | 10 | 545230 | 0640 | 2835 82ND AVE SE |
| 75 | 10 | 545230 | 1382 | 2730 80TH AVE SE |
| 75 | 10 | 545230 | 1385 | 7900 SE 28TH ST |
| 75 | 10 | 545230 | 1387 | 2728 80TH AVE SE |
| 75 | 10 | 545900 | 0450 | 3236 78TH AVE SE |
| 75 | 10 | 545900 | 0456 | 78TH AVE SE |
| 75 | 10 | 545900 | 0460 | 3200 78TH AVE SE |
| 75 | 10 | 664872 | 0120 | 6001 ISLAND CREST WAY |
| 75 | 10 | 735570 | 0185 | 1825 72ND AVE SE |
| 75 | 10 | 759810 | 0111 | 8845 SE 44TH ST |
| 75 | 10 | 759810 | 0260 | 4400 86TH AVE SE |
| 75 | 10 | 759810 | 0310 | 8685 SE 47TH ST |
| 75 | 10 | 759810 | 0630 | 4545 ISLAND CREST WAY |
| 75 | 10 | 860440 | 0000 | 7433 1/2 SE 27TH ST |
| 75 | 10 | 865121 | 0030 | 9170 SE 64TH ST |

Physically Inspected Parcels for 2016

Area 75-10 (Mercer Island) and a portion of 75-20 (Eastgate/Factoria)

| Area | Nbhd | Major | Minor | AddrLine |
|------|------|--------|-------|-----------------------------------|
| 75 | 10 | 936570 | 0017 | 4001 ISLAND CREST WAY |
| 75 | 20 | 022785 | 0000 | 4228 FACTORIA BLVD SE |
| 75 | 20 | 082405 | 9212 | 10808 SE 28TH ST |
| 75 | 20 | 082405 | 9244 | |
| 75 | 20 | 082405 | 9328 | |
| 75 | 20 | 092405 | 9027 | 12700 SE 32ND ST |
| 75 | 20 | 092405 | 9038 | 3505 128TH AVE SE |
| 75 | 20 | 092405 | 9040 | 12404 SE 38TH ST |
| 75 | 20 | 092405 | 9049 | 12410 SE 32ND ST |
| 75 | 20 | 092405 | 9051 | 3105 125TH AVE SE |
| 75 | 20 | 092405 | 9055 | 12600 SE 38TH ST |
| 75 | 20 | 092405 | 9093 | 11823 SE 32ND ST |
| 75 | 20 | 092405 | 9097 | 11831 SE 32ND ST |
| 75 | 20 | 092405 | 9099 | 12816 SE 38TH PL |
| 75 | 20 | 092405 | 9105 | 12805 SE 38TH PL |
| 75 | 20 | 092405 | 9114 | 3900 FACTORIA BLVD SE |
| 75 | 20 | 092405 | 9127 | 3615 128TH AVE SE |
| 75 | 20 | 092405 | 9139 | 2800 118TH AVE SE |
| 75 | 20 | 092405 | 9142 | 3625 128TH AVE SE |
| 75 | 20 | 092405 | 9149 | 12010 SE 32ND ST |
| 75 | 20 | 092405 | 9150 | 12450 SE 38TH ST |
| 75 | 20 | 092405 | 9159 | 12402 SE 38TH ST |
| 75 | 20 | 092405 | 9168 | 12020 SE 32ND ST |
| 75 | 20 | 092405 | 9180 | 3830 128TH AVE SE |
| 75 | 20 | 092405 | 9208 | 3135 125TH AVE SE |
| 75 | 20 | 092405 | 9216 | 3133 125TH AVE SE |
| 75 | 20 | 092405 | 9227 | 3711 128TH AVE SE |
| 75 | 20 | 092405 | 9228 | 3717 FACTORIA BLVD SE |
| 75 | 20 | 092405 | 9230 | 12606 SE 38TH ST |
| 75 | 20 | 092405 | 9236 | 12400 SE 38TH ST |
| 75 | 20 | 092405 | 9242 | 12602 SE 38TH ST |
| 75 | 20 | 092405 | 9246 | 12917 SE 38TH PL |
| 75 | 20 | 092405 | 9260 | 3525 128TH AVE SE |
| 75 | 20 | 092405 | 9264 | |
| 75 | 20 | 092405 | 9269 | |
| 75 | 20 | 092405 | 9270 | |
| 75 | 20 | 112405 | 9091 | 2808 148TH AVE SE |
| 75 | 20 | 128360 | 0020 | 2975 156TH AVE SE |
| 75 | 20 | 128360 | 0040 | 15400 SE 30TH PL |
| 75 | 20 | 132405 | 9051 | 17800 WEST LAKE SAMMAMISH PKWY SE |
| 75 | 20 | 142405 | 9106 | 4442 158TH AVE SE |
| 75 | 20 | 152405 | 9113 | 4750 139TH AVE SE |
| 75 | 20 | 162405 | 9017 | |
| 75 | 20 | 162405 | 9022 | 12800 COAL CREEK PKWY SE |
| 75 | 20 | 162405 | 9028 | 4122 128TH AVE SE |

Physically Inspected Parcels for 2016

Area 75-10 (Mercer Island) and a portion of 75-20 (Eastgate/Factoria)

| Area | Nbhd | Major | Minor | AddrLine |
|------|------|--------|-------|--------------------------|
| 75 | 20 | 162405 | 9030 | 4140 128TH AVE SE |
| 75 | 20 | 162405 | 9032 | 132ND AVE SE |
| 75 | 20 | 162405 | 9046 | 4049 129TH PL SE |
| 75 | 20 | 162405 | 9054 | 4040 128TH AVE SE |
| 75 | 20 | 162405 | 9057 | 12800 COAL CREEK PKWY SE |
| 75 | 20 | 162405 | 9058 | 4400 130TH PL SE |
| 75 | 20 | 162405 | 9060 | |
| 75 | 20 | 162405 | 9069 | 4315 129TH PL SE |
| 75 | 20 | 162405 | 9070 | 4307 128TH AVE SE |
| 75 | 20 | 162405 | 9085 | |
| 75 | 20 | 162405 | 9158 | |
| 75 | 20 | 162405 | 9167 | |
| 75 | 20 | 162405 | 9169 | 4010 120TH AVE SE |
| 75 | 20 | 162405 | 9195 | 4205 128TH AVE SE |
| 75 | 20 | 162405 | 9206 | 4317 128TH AVE SE |
| 75 | 20 | 162405 | 9213 | 12827 SE 40TH PL |
| 75 | 20 | 162405 | 9232 | 4200 124TH AVE SE |
| 75 | 20 | 162405 | 9249 | 12838 SE 40TH PL |
| 75 | 20 | 162405 | 9253 | 4020 128TH AVE SE |
| 75 | 20 | 162405 | 9255 | 14075 124TH AVE SE |
| 75 | 20 | 162405 | 9260 | 12930 SE NEWPORT WAY |
| 75 | 20 | 162405 | 9261 | 3920 FACTORIA BLVD SE |
| 75 | 20 | 162405 | 9275 | 12826 SE 40TH LN |
| 75 | 20 | 162405 | 9299 | 4301 128TH AVE SE |
| 75 | 20 | 162405 | 9301 | 4100 128TH AVE SE |
| 75 | 20 | 162405 | 9308 | 128TH AVE SE |
| 75 | 20 | 162405 | 9313 | 12415 SE 41ST PL |
| 75 | 20 | 192406 | 9097 | 5401 194TH AVE SE |
| 75 | 20 | 212405 | 9052 | 5200 COAL CREEK PKWY SE |
| 75 | 20 | 220550 | 0615 | 14718 SE 37TH ST |
| 75 | 20 | 222405 | 9005 | 4800 139TH AVE SE |
| 75 | 20 | 232405 | 9044 | 5130 164TH WAY SE |
| 75 | 20 | 244270 | 0010 | 4055 128TH AVE SE |
| 75 | 20 | 244270 | 0030 | 3919 128TH AVE SE |
| 75 | 20 | 244270 | 0040 | 12727 SE 38TH ST |
| 75 | 20 | 517630 | 0024 | 15804 SE NEWPORT WAY |
| 75 | 20 | 517630 | 0025 | 15800 SE NEWPORT WAY |
| 75 | 20 | 517630 | 0026 | 15800 SE NEWPORT WAY |
| 75 | 20 | 517630 | 0027 | 15800 SE NEWPORT WAY |
| 75 | 20 | 517630 | 0028 | 15800 SE NEWPORT WAY |
| 75 | 20 | 517630 | 0029 | 15800 SE NEWPORT WAY |
| 75 | 20 | 545330 | 0111 | 2700 RICHARDS RD |
| 75 | 20 | 545330 | 0167 | 13312 SE 30TH ST |
| 75 | 20 | 545330 | 0193 | 2930 RICHARDS RD |
| 75 | 20 | 545330 | 0230 | 12822 SE 32ND ST |

Physically Inspected Parcels for 2016

Area 75-10 (Mercer Island) and a portion of 75-20 (Eastgate/Factoria)

| Area | Nbhd | Major | Minor | AddrLine |
|------|------|--------|-------|-----------------------------------|
| 75 | 20 | 545330 | 0240 | 3119 129TH PL SE |
| 75 | 20 | 545330 | 0311 | 13404 SE 32ND ST |
| 75 | 20 | 606531 | 1330 | 81 SKAGIT KY |
| 75 | 20 | 804370 | 0130 | |
| 75 | 20 | 804370 | 0135 | 17700 WEST LAKE SAMMAMISH PKWY SE |
| 75 | 20 | 804370 | 0140 | 4114 177TH AVE SE |
| 75 | 20 | 804370 | 0145 | 4022 177TH AVE SE |
| 75 | 20 | 804370 | 0165 | 17700 WEST LAKE SAMMAMISH PKWY SE |
| 75 | 20 | 804370 | 0170 | 17700 WEST LAKE SAMMAMISH PKWY SE |
| 75 | 20 | 804370 | 0325 | 4050 177TH AVE SE |
| 75 | 20 | 804370 | 0330 | 17800 WEST LAKE SAMMAMISH PKWY SE |
| 75 | 20 | 804370 | 0335 | 17800 WEST LAKE SAMMAMISH PKWY SE |
| 75 | 20 | 804370 | 0365 | |
| 75 | 20 | 804370 | 0370 | 17800 WEST LAKE SAMMAMISH PKWY SE |
| 75 | 20 | 804370 | 0375 | 17800 WEST LAKE SAMMAMISH PKWY SE |
| 75 | 20 | 804370 | 0380 | 17800 WEST LAKE SAMMAMISH PKWY SE |
| 75 | 20 | 804370 | 0400 | 17700 WEST LAKE SAMMAMISH PKWY SE |