

# West Shoreline

Area: 001

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## *Residential Revalue for 2016 Assessment Roll*



**King County**

**Department of Assessments**

*Setting values, serving the community, and pursuing excellence*

500 Fourth Avenue, ADM-AS 0708

Seattle, WA 98104-2384

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



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***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



## Area 001 Housing Profile



Grade 5/ Year Built 1937/ Total Living Area 850



Grade 6/ Year Built 1949/ Total Living Area 950



Grade 7/ Year Built 1955/ Total Living Area 1170



Grade 8/ Year Built 1980/ Total Living Area 1840



Grade 9/ Year Built 1979/ Total Living Area 3340



Grade 10/ Year Built 2007/ Total Living Area 4270



Grade 11/ Year Built 1985/ Total Living Area 5440



Grade 12/ Year Built 1939/ Total Living Area 7060



Grade 13/Year Built 1989/ Total Living Area/ 7970

# Glossary for Improved Sales

## Condition: Relative to Age and Grade

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

## Residential Building Grades

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

# Executive Summary

## West Shoreline - Area 001

### Physical Inspection

**Appraisal Date:** 1/1/2016  
**Previous Physical Inspection:** 2011  
**Number of Improved Sales:** 676  
**Range of Sale Dates:** 1/1/2013 – 12/31/2015 Sales were time adjusted to 1/1/2016

| Sales - Improved Valuation Change Summary: |           |              |           |                 |       |       |
|--|-----------|--------------|-----------|-----------------|-------|-------|
|  | Land      | Improvements | Total     | Mean Sale Price | Ratio | COD   |
| <b>2015 Value</b>                          | \$236,500 | \$277,400    | \$513,900 |                 |       | 9.70% |
| <b>2016 Value</b>                          | \$257,400 | \$307,100    | \$564,500 | \$617,200       | 92.6% | 7.44% |
| <b>\$ Change</b>                           | +\$20,900 | +\$29,700    | +\$50,600 |                 |       |       |
| <b>% Change</b>                            | +8.8%     | +10.7%       | +9.8%     |                 |       |       |

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2016 COD of 7.44% is an improvement from the previous COD of 9.70%. The lower the COD, the more uniform are the predicted assessed values. Assessment standards prescribed by the International Association of Assessing Officers identify that the COD in rural or diverse neighborhoods should be no more than 20%. The resulting COD meets or exceeds the industry assessment standards. Sales from 1/1/2013 to 12/31/2015 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2016

| Population - Improved Valuation Change Summary: |           |              |           |
|---|-----------|--------------|-----------|
|   | Land      | Improvements | Total     |
| <b>2015 Value</b>                               | \$250,200 | \$268,500    | \$518,700 |
| <b>2016 Value</b>                               | \$272,400 | \$284,700    | \$557,100 |
| <b>\$ Change</b>                                | +\$22,200 | +\$16,200    | +\$38,400 |
| <b>% Change</b>                                 | +8.9%     | +6.0%        | +7.4%     |

Number of one to three unit residences in the population: 5,883

#### Physical Inspection Area:

State law requires that each property be physically inspected at least once during a 6 year revaluation cycle. During the recent inspection of Area 001 – West Shoreline, appraisers were in the area, confirming data characteristics, developing new valuation models and selecting a new value for each property for the assessment year. For each of the subsequent years, the previous property values are statistically adjusted during each assessment period. Taxes are paid on total value, not on the separate amounts allocated to land and improvements.

# Sales Sample Representation of Population

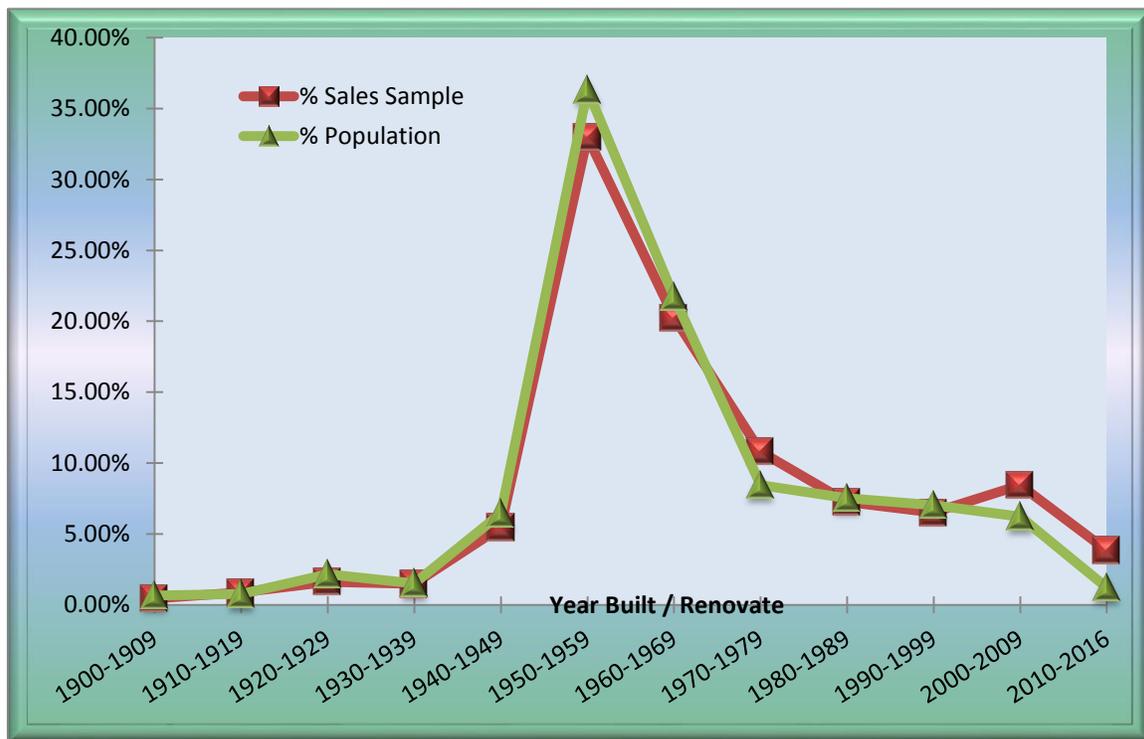
## Year Built or Renovated

### Sales

| Year Built/Ren | Frequency | % Sales Sample |
|----------------|-----------|----------------|
| 1900-1909      | 3         | 0.44%          |
| 1910-1919      | 6         | 0.89%          |
| 1920-1929      | 11        | 1.63%          |
| 1930-1939      | 10        | 1.48%          |
| 1940-1949      | 37        | 5.47%          |
| 1950-1959      | 223       | 32.99%         |
| 1960-1969      | 137       | 20.27%         |
| 1970-1979      | 73        | 10.80%         |
| 1980-1989      | 49        | 7.25%          |
| 1990-1999      | 44        | 6.51%          |
| 2000-2009      | 57        | 8.43%          |
| 2010-2016      | 26        | 3.85%          |
| 676            |           |                |

### Population

| Year Built/Ren | Frequency | % Population |
|----------------|-----------|--------------|
| 1900-1909      | 38        | 0.65%        |
| 1910-1919      | 45        | 0.76%        |
| 1920-1929      | 127       | 2.16%        |
| 1930-1939      | 89        | 1.51%        |
| 1940-1949      | 379       | 6.44%        |
| 1950-1959      | 2,137     | 36.33%       |
| 1960-1969      | 1,277     | 21.71%       |
| 1970-1979      | 497       | 8.45%        |
| 1980-1989      | 443       | 7.53%        |
| 1990-1999      | 413       | 7.02%        |
| 2000-2009      | 366       | 6.22%        |
| 2010-2016      | 72        | 1.22%        |
| 5,883          |           |              |



Sales of new homes built over the last few years are over represented in this sample.

This is a common occurrence due to the fact that most new homes will sell shortly after completion. This over representation was found to lack statistical significance during the modeling process.

# Sales Sample Representation of Population

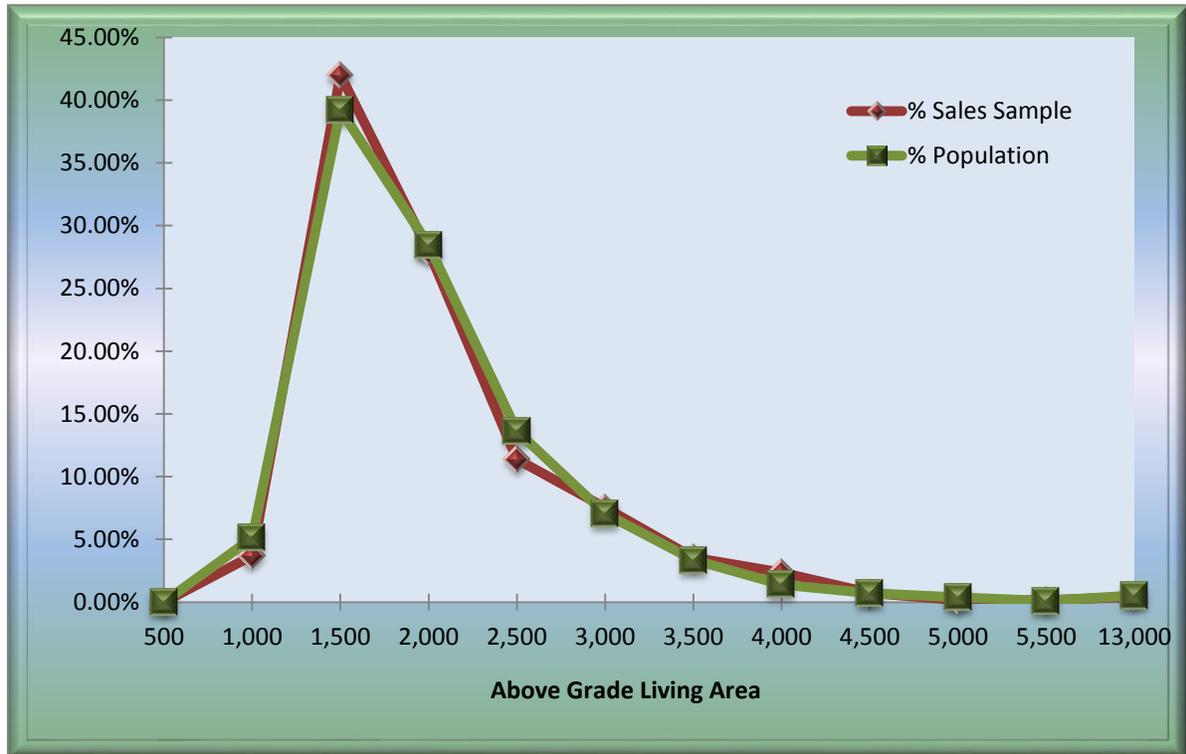
## Above Grade Living Area

### Sales

| AGLA   | Frequency | % Sales Sample |
|--------|-----------|----------------|
| 500    | 0         | 0.00%          |
| 1,000  | 25        | 3.70%          |
| 1,500  | 284       | 42.01%         |
| 2,000  | 189       | 27.96%         |
| 2,500  | 77        | 11.39%         |
| 3,000  | 51        | 7.54%          |
| 3,500  | 24        | 3.55%          |
| 4,000  | 16        | 2.37%          |
| 4,500  | 5         | 0.74%          |
| 5,000  | 1         | 0.15%          |
| 5,500  | 1         | 0.15%          |
| 13,000 | 3         | 0.44%          |
| 676    |           |                |

### Population

| AGLA   | Frequency | % Population |
|--------|-----------|--------------|
| 500    | 0         | 0.00%        |
| 1,000  | 302       | 5.13%        |
| 1,500  | 2,307     | 39.21%       |
| 2,000  | 1,674     | 28.45%       |
| 2,500  | 802       | 13.63%       |
| 3,000  | 415       | 7.05%        |
| 3,500  | 198       | 3.37%        |
| 4,000  | 83        | 1.41%        |
| 4,500  | 42        | 0.71%        |
| 5,000  | 22        | 0.37%        |
| 5,500  | 7         | 0.12%        |
| 13,000 | 31        | 0.53%        |
| 5,883  |           |              |



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

# Sales Sample Representation of Population

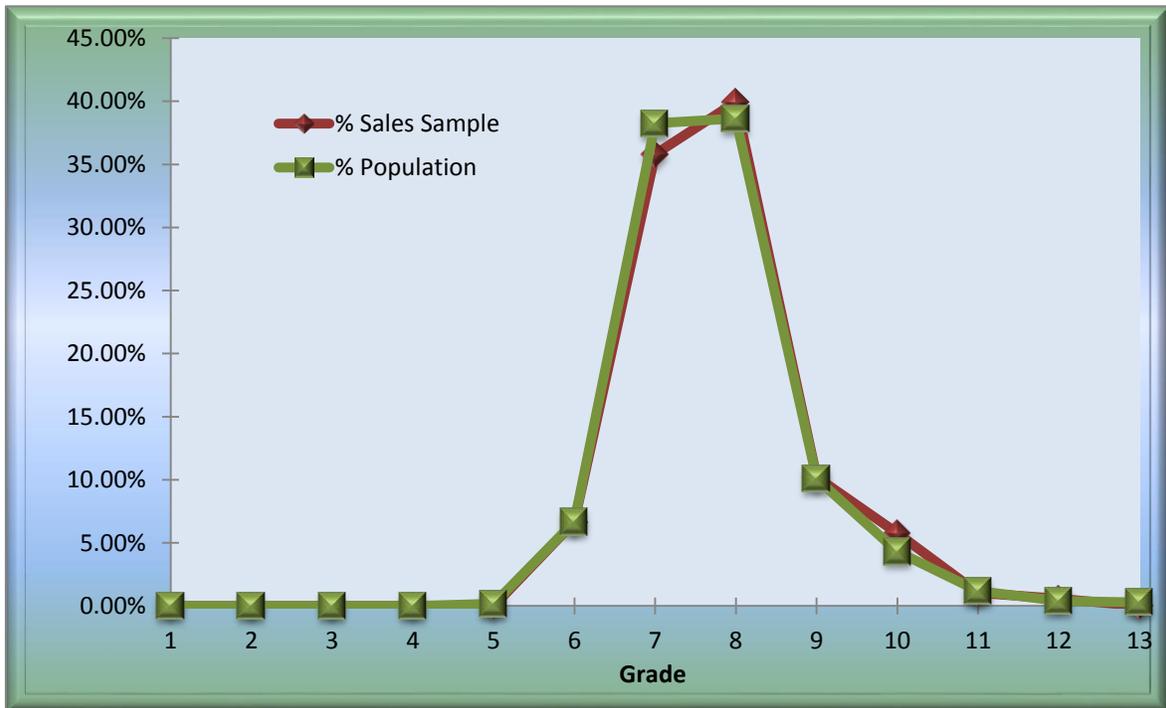
## Building Grade

### Sales

| Grade | Frequency | % Sales Sample |
|-------|-----------|----------------|
| 1     | 0         | 0.00%          |
| 2     | 0         | 0.00%          |
| 3     | 0         | 0.00%          |
| 4     | 0         | 0.00%          |
| 5     | 0         | 0.00%          |
| 6     | 45        | 6.66%          |
| 7     | 242       | 35.80%         |
| 8     | 270       | 39.94%         |
| 9     | 69        | 10.21%         |
| 10    | 39        | 5.77%          |
| 11    | 7         | 1.04%          |
| 12    | 4         | 0.59%          |
| 13    | 0         | 0.00%          |
| 676   |           |                |

### Population

| Grade | Frequency | % Population |
|-------|-----------|--------------|
| 1     | 0         | 0.00%        |
| 2     | 0         | 0.00%        |
| 3     | 0         | 0.00%        |
| 4     | 0         | 0.00%        |
| 5     | 10        | 0.17%        |
| 6     | 393       | 6.68%        |
| 7     | 2,250     | 38.25%       |
| 8     | 2,273     | 38.64%       |
| 9     | 593       | 10.08%       |
| 10    | 253       | 4.30%        |
| 11    | 70        | 1.19%        |
| 12    | 23        | 0.39%        |
| 13    | 17        | 0.29%        |
| 5,883 |           |              |



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

# Physical Inspection Process

**Effective Date of Appraisal: January 1, 2016**

**Date of Appraisal Report: July 20<sup>th</sup> 2016**

## Appraisal Team Members and Participation

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

- Cheryl Lewis – Appraiser II: Team lead, coordination, valuation model development and testing. Land and total valuation appraisals. Sales verification, physical inspection and report writing.
- Anne Main – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Eric Myhre – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Janice So – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Naomi Yother – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.

## Sales Screening for Improved Parcel Analysis

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

1. Vacant parcels
2. Mobile Home parcels
3. Multi-Parcel or Multi Building parcels
4. New construction where less than a 100% complete house was assessed for 2015
5. Existing residences where the data for 2015 is significantly different than the data for 2016 due to remodeling
6. Parcels with improvement values, but no characteristics
7. Parcels with either land or improvement values of \$25,000 or less posted for the 2015 Assessment Roll
8. Short sales, financial institution re-sales and foreclosure sales verified or appearing to be not at market

*(Available sales and additional Area information can be viewed at [sales list](#), [eSales](#) and [Localscape](#))*

## Highest and Best Use Analysis

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

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

## Standards and Measurement of Data Accuracy

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

## Physical Inspection Process... Continued

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

### Special Assumptions and Limiting Conditions

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

The following Departmental guidelines were considered and adhered to:

- Sales from 1/1/2013 to 12/31/2015 (at minimum) were considered in all analyses.
- Sales were time adjusted to 1/1/2016.
- This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice Standard 6.

# Area Information

## Name or Designation

Area 001 - West Shoreline

## Boundaries

Area 1 is bordered by Snohomish County to the north at 205<sup>th</sup> St; Puget Sound on the west; NW 145<sup>th</sup> St. on the south (Seattle city limits boundary) and Aurora Avenue North on the east. The map appears to include some parcels south of NW 145<sup>th</sup> St.

## Maps

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

## Area Description

Area 1 is located in the northwest corner of King County within the city limits of Shoreline. It is considered to be very homogeneous and suburban in nature. Area 1 is well serviced by public transportation and schools such as Shoreline Community College. The area is within close proximity to a full range of commercial and professional services. Aurora Ave N and close proximity to Interstate 5 also provide access for employment in nearby suburbs and in Seattle. Recreational parks in the area include Richmond Beach Community Park, Richmond Beach Saltwater Park, Richmond Highland Park, Shoreview Park, Boeing Creek Park and Hillwood Park. The Crista Ministries Campus is also located in Area 1.

There are a total of 6336 parcels in Area 1 of which 6159 are improved. The improved parcels include 13 manufactured homes, 83 Townhomes and 82 parcels with multiple improvements. Sixty percent of the homes were built during the 1950s through the 1970's. Seventy Three percent of the improved parcels are either grade 7 or grade 8 and 19% of the population are grade 9 or higher. The average total living area is approximately 2,200 square feet and the average above grade living area is 1,755 square feet. Parcels bordering along Aurora Ave North are primarily commercially zoned with a variety of businesses and apartment buildings.

Land characteristics that affect Area 1 are view amenities, waterfront, topography & traffic. Parcels in the area vary in size with a median lot size of approximately 14,300 square feet. Twenty percent of the parcels in the area have a view of Puget Sound, Olympic Mountains and/or a Territorial view. There are 41 Puget Sound waterfront parcels in the area of which 32 are improved. Approximately 6% of the parcels in the area are impacted by moderate to heavy traffic and 7% of the parcels are impacted by topography

Area 1 includes seven Sub Areas encompassing Richmond Beach, Innis Arden, the Richmond Highlands, The Highlands and surrounding neighborhoods.

**Sub Area 1** is the Richmond Beach area located in northeast corner of Area 1. There are 735 parcels, 32 of which are improved waterfront properties. This sub area has a considerable number of varying Puget Sound views.

**Sub Area 2** is located east of sub 1 between 20<sup>th</sup> Ave NW and 8th Ave NW. There are 1,002 parcels built up with mostly grade 7 through 9 homes. Some of the properties in this sub area have varying views of Puget Sound.

## Area Information... Continued

**Sub Area 3** is located south of Sub 5 at Richmond Beach Rd. There are 995 parcels built up of primarily grade 7 and 8 homes with an average total living area of approximately 1,900 square feet and an average lot size of approximately 9,400 square feet. There are only a small number of parcels with a view of Puget Sound.

**Sub Area 4** The Highlands, a gated, membership community, is the most exclusive neighborhood in the area with primarily grade 11 and higher homes on large acreage lots. There are 131 parcels with some affording views of Puget Sound. The community borders the northern edge of the Seattle city limits and is located in the southwest corner of the area.

**Sub Area 5** is located at the northwest corner of the area between Aurora Ave N and 8<sup>th</sup> Ave NW and consists of neighborhood 5 (described later). There are 1,514 parcels of primarily grade 7 and 8 homes with an average total living area of approximately 1,890 square feet and an average lot size of approximately 9,300 square feet. There are no view properties in this sub area.

**Sub Area 6** is known as Innis Arden with the exception of neighborhood 6 and 7 which are located outside of the Innis Arden community. These neighborhoods are described later in the report. There are 698 parcels built up of primarily grade 8 through 11 homes. The average total living area is approximately 3,040 square feet. The lots typically vary in size with an average lot size of approximately 23,000 square feet. Many of the properties in the area have varying views of Puget Sound.

**Sub Area 7** is located west of sub 3, south of NW Richmond Beach Rd all the way to the Seattle City limits at N 145<sup>th</sup> St. There are 1,261 parcels built up with primarily grade 7 and 8 homes with an average total living area of approximately 1,700 square feet and an average lot size of approximately 9,200 square feet. There are no view properties in this sub area.

# Neighborhood Map



## Land Valuation

Vacant sales from 1/1/2013 to 12/31/2015 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2016. Due to a limited number of land sales in the area, tear down sales were also used. A total of 24 sales, including both vacant land and tear down sales were used to develop a land model. The land allocation and land abstraction methods were also used in the analysis for additional support where land sales were limited. All sales were verified by field review and when possible, contact with buyer or seller. Various observations were researched, analyzed and validated by current market sales.

There are 6336 parcels in Area 001 of which 178 (2%) are vacant. The predominant zoning in the area is Single Family Residential, ranging from R4 through R48. This includes 83 Townhomes , 82 parcels with multiple improvements and 13 manufactured homes. There are 129 parcels zoned R12, R18, R24 and R48, they are classified as “ Low, Medium and High Density Residential/Apartment”. Less than 2% of all parcels have Apartment or Commercial zoning. The bordering parcels along Aurora Ave North are primarily commercial zoning with a variety of businesses and apartments.

The parcels in the area vary in size with a median lot size of approximately 14,300 square feet. Twenty percent of the parcels in the area have a view of Puget Sound, Olympic Mountains and/or a Territorial view. Approximately 6% of the parcels are impacted by moderate to heavy traffic and 7% of the parcels are impacted by topography. Parcels along NW Richmond Beach Rd and NW 205<sup>th</sup> St were considered for high traffic noise and coded if impacted. Moderate traffic was also considered and coded on other arterials. Residential properties on Puget Sound and Richmond Beach Drive NW are impacted by railroad noise.

Four neighborhoods were identified and are described below. The most influential characteristics identified affecting sales price include: view amenities, waterfront, lot size, topography, location and traffic. Some large and small land development is taking place. “Highest and Best Use” was considered on larger lots for potential development where access and sewer systems allowed. Lots in Innis Arden, regardless of size, are restricted to one site by covenant. The Highlands lots are generally restricted to one site per two acres by covenant. R24 and R48 zoned parcels were valued at their “Highest and best Use” .The Townhome sites were valued separately. (See attached land schedule for R24, R48 & Townhomes)

There are 41 Puget Sound waterfront parcels in the area of which 32 are improved. There was one waterfront improved sale however, no vacant waterfront sales. The degree of waterfront bank was not a factor in the baseland as those parcels with higher bank waterfront were determined to have a better view. Those parcels with lower bank waterfront had easier access to the beach. The higher bank waterfront properties had reasonable access to the beach. Waterfront lots were valued on size and waterfront footage. There are no additional view adjustments for waterfront properties as the excellent Puget Sound view is already accounted for in the waterfront base land value. Lots with limited utility were adjusted downward.

Because of the exclusivity and limited access to The Highlands (Sub Area 4), land in that area was analyzed separately. There were two vacant land sales, one tear down sale and 1 multi parcel land sale in the Highlands.

## **Neighborhood descriptions:**

Neighborhood 5 is located in Sub Area 5. It is bordered by 8<sup>th</sup> Avenue NW on the west, NW 201<sup>st</sup> Street on the north, 3<sup>rd</sup> Ave NW on the east and NW 195<sup>th</sup> on the south. There are 208 parcels of primarily grade 8 homes. The predominant characteristics that identify Neighborhood 5 are underground electrical wiring and some curbs and sidewalks which are not common in this Sub Area.

Neighborhood 6 is located in Sub Area 6 outside of the Innis Arden plat. It is bordered on the north by NW Innis Arden Way. It is built up primarily of grade 10 homes. Only 1 parcel has a view of Puget Sound.

Neighborhood 7 is located in Sub Area 6 outside of the Innis Arden plat. It is bordered on the north by NW 180<sup>th</sup> St, west by 10<sup>th</sup> Ave NW, east of Innis Arden and south by NW 175<sup>th</sup> St. It is built up primarily of grade 8 and 9 homes. Sixty three percent of the homes in neighborhood 7 have Puget Sound views.

Neighborhood 8 is located in Sub 6 and consists entirely of the plat of Innis Arden.

## **Land Model**

### **Model Development, Description and Conclusions**

A total of 24 vacant land and tear down sales from Area 001 were used to derive land value. Data on lot sizes, zoning, topography, traffic, nuisance, wetland, stream, access, views, waterfront and other factors were considered while developing the land model. Additional support and validation came from the land allocation and land abstraction methods

Adjustments were applied for positive attributes such as location and views. Negative adjustments were made for issues such as topography, traffic noise, nuisance, access easements, size and shape and water/environmental problems. These adjustments were based on analyzing matched pairs of vacant sales, teardown sales, and improved sales, combined with years of appraisal experience and knowledge of the area.

The land model used only the highest view adjustment if there were two or more views

The land model adjusted -20% for extreme traffic along NW 205<sup>th</sup> St and NW Richmond Beach Rd. Other arterials were adjusted -10% for moderate traffic.

For a complete list of sales in the Area, please visit [eSales](#) or [Localscape](#)

## Land Value Model Calibration

| <b>Area 1 Base Land Values</b>     |   |
|------------------------------------|---|
| Lot Size Square Foot Range         | Value                                       |
| <3000                              | \$145,000                                   |
| 3001-4500                          | \$166,000                                   |
| 4501-6000                          | \$180,000                                   |
| 6001-8000                          | \$192,000                                   |
| 8001-10000                         | \$214,000                                   |
| 10001-12000                        | \$231,000                                   |
| 12001-14000                        | \$256,000                                   |
| 14001-20000                        | \$265,000                                   |
| 20001-25000                        | \$277,000                                   |
| 25001-35000                        | \$291,000                                   |
| 35001-43560                        | \$299,000                                   |
| >43560                             | \$299,000 plus excess land at \$1.00 per SF |
| <b>Puget Sound Waterfront</b>      |   |
| Base Site Value                    | \$455,000                                   |
| Plus \$ per square ft over 6000 SF | \$2.60                                      |
| Plus \$ per WtrFrtFt < = 75'       | \$6,500                                     |
| Plus \$ per WtrFrtFt > 75'         | \$3,900                                     |
| <b>Sub Area 4 (The Highlands)</b>  |   |
| Lot Size Square Foot Range         | Value                                       |
| Base Site Value up to 87120 SF     | \$695,000                                   |
| 87121 SF or greater                | \$695,000 + \$4.4/sf > 87120                |
| <b>Townhomes &amp; R24, R48</b>    |   |
| Lot Size Square Foot Range         | Value                                       |
| 1-750                              | \$75,000                                    |
| 751-1000                           | \$84,000                                    |
| 1001-1500                          | \$93,000                                    |
| 1501-2000                          | \$102,000                                   |
| 2001-2500                          | \$115,000                                   |
| 2501-3500                          | \$120,000                                   |
| 3501-4500                          | \$125,000                                   |
| 4501+                              | \$130,000                                   |

## Land Value Model Calibration... Continued

| <b>Adjustments</b>  |                   |
|---|-------------------|
| <b>Sub Area (Non Waterfront)</b>  | <b>Adjustment</b> |
| Sub 1 and 6   | +30%              |
| Sub 2   | +20%              |
| <b>View</b>   | <b>Adjustment</b> |
| <b>Puget Sound</b>  |                   |
| Fair  | +20%              |
| Average   | +40%              |
| Good  | +65%              |
| Excellent   | +100%             |
| <b>Olympic Mountains</b>  |                   |
| Average   | +5%               |
| Good  | +10%              |
| Excellent   | +15%              |
| <b>Territorial</b>  |                   |
| Average   | +5%               |
| Good  | +10%              |
| Excellent   | +15%              |
| If Puget Sound view no adj for Mountain Or Territorial<br>If Mountain view no adj for Terr.<br>If both Mountain & Territorial view- take greater view |                   |
| <b>Nuisance/Impacts</b>   | <b>Adjustment</b> |
| <b>Traffic</b>  |                   |
| Moderate  | -10%              |
| High  | -20%              |
| <b>Additional Adjustments</b>   |                   |
| Topography  | Up to -50%        |
| Other Nuisance (Commercial Influence)   | -10%              |
| Access Easement   | -5%               |
| Water Problems  | -10%              |
| Power Lines   | -5%               |
| Restrictive Size/Shape  | -10%              |
| Other Environmental   | Up to -50%        |
| Doc Unbuildable   | -75% to -90%      |

# Improved Parcel Valuation

## Improved Parcel Data:

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

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

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

## Model Development, Description and Conclusions:

Most sales were field verified and characteristics updated prior to model development. Sales were time adjusted to 1/1/2016.

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values. Through this process an EMV (estimated market value) valuation model was derived for the whole area. In addition to standard physical property characteristics, the analysis showed the following variables were influential in the market.

- Age of improvement less 5 years for year renovate
- Very Good Condition house
- Good Condition house
- Grade 9 house
- Grade 10 house
- Baseland Value
- Sub Area 1 (Richmond Beach)
- Sub Area 2
- Sub Area 6 but not neighborhood 6 or 7
- Neighborhood 5 in Sub Area 5 (Parcels from NW 195<sup>th</sup> St to NW 201<sup>st</sup> St and 3<sup>rd</sup> Ave NW to 8<sup>th</sup> Ave NW)
- Neighborhood 7 in Sub Area 6 (Parcels from NW 175<sup>th</sup> St to NW 180<sup>th</sup> St west of 10<sup>th</sup> Ave NW not in Innis Arden)
- Puget Sound view is average
- Puget Sound view is good

## Improved Parcel Valuation... Continued

Puget Sound view is excellent  
Present Use is Townhouse

In addition, supplemental models were developed to value parcels whose characteristics are outside the parameters of the main valuation formula

# Improved Parcel Total Value Model Calibration

| Variable         | Definition  |
|------------------|---|
| BaselandC        | 2016 Adjusted Base Land Value                             |
| ComboCost        | (House Cost New) + (Accessory Cost New Less Depreciation) |
| GoodYN           | House condition is good                                   |
| Grade10          | Grade 10 house  |
| Grade 9          | Grade 9 house   |
| Nghb5YN          | Neighborhood 5  |
| Nghb7YN          | Neighborhood 7  |
| PresentUse 29    | Townhouse   |
| PugSndYNAvg      | Puget Sound view is average                               |
| PugSndYNEX       | Puget Sound view is excellent                             |
| PugSndYNGood     | Puget Sound view is good                                  |
| SaleDay          | Time Adjustment   |
| Sub1YN           | Sub Area 1  |
| Sub2YN           | Sub Area 2  |
| Sub6NOTNghb6and7 | Sub Area 6 but not neighborhood 6 or 7                    |
| VGoodYN          | House condition is very good                              |
| YrBuiltRenC      | Age of improvement minus 5 years for year renovate        |

## Multiplicative Model

$(1-0.075) * 2.85252374518719 + 0.233571654489196 * \text{BaseLandC} + 0.449952187955182 * \text{ComboCost} + 0.033393324549706 * \text{GoodYN} + 0.0575204343806063 * \text{Grade10} + 0.0169346644916086 * \text{Grade9} + 0.0302994678081976 * \text{Nghb5YN} + 0.0792155843754661 * \text{Nghb7YN} - 0.0854433963534432 * \text{PresentUse 29} + 0.035062508369485 * \text{PugSndYNAvg} + 0.069718263715706 * \text{PugSndYNEX} + 0.0516642213192703 * \text{PugSndYNGood} + 0.000244889827669687 * \text{SaleDay} + 0.0594990791668547 * \text{Sub1YN} + 0.0312545626132066 * \text{Sub2YN} + 0.0997375149869527 * \text{Sub6NOTNghb6and7} + 0.0807114601489457 * \text{VGoodYN} - 0.114954347763568 * \text{YrBuiltRenC}$

## EMV values were not generated for:

- Buildings with grade less than 6
- Buildings with grade greater than 10
- Building two or greater. (EMV is generated for building one only.)
- Buildings with condition less than average
- Mobile Homes (EMV is generated for building one only, if there is a house plus mobile home)
- If total EMV is less than base land value
- Lot size less than 100 square feet
- Sub Area 4 (The Highlands)
- Waterfront
- If net condition, obsolescence, or percent complete is greater than 0.
- R24 or R48 Zoning
- Accessory Improvement only

# Improved Parcel Total Value Model Calibration...

## Continued

Of the improved parcels in the population, 5345 parcels increased in value. They were comprised of 12 single family residences on commercially zoned land and 5333 single family residences or other parcels.

Of the vacant land parcels greater than \$1000, 71 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

## Supplemental Models and Exceptions

|                              |   |
|------------------------------|---|
| Accessory improvement only   | Reconstruction Cost New Less Depreciation (RCNLD)   |
| Condition = Poor or Fair     | RCNLD or \$1,000  |
| Grade 4, 5                   | RCNLD or \$1,000  |
| Grade 11                     | EMV x 1.1   |
| Grade 12, 13                 | RCNLD x 1.5   |
| NetCond > 0                  | RCNLD or \$1,000  |
| PctComplete < 100            | Imp EMV adjusted by the applicable % if 50% - 99% complete.<br>RCNLD if below 50% complete. |
| Obsolescence % > 0           | Imp EMV adjusted by the applicable %  |
| Total EMV < BaselandValue    | \$1000. If multiple sites or commercial zone, then use that model instead.                  |
| Multiple Site Parcels        | EMV calculated on a single site, plus land value for additional sites                       |
| 2 or more improvements       | EMV for 1st Imp + RCNLD for additional improvements   |
| House and Mobile Home        | EMV for 1st Imp + RCNLD for Mobile Home   |
| Mobile Home only             | RCNLD   |
| R24 & R48                    | Value as multiple sites; If Townhome value at EMV   |
| <b>Waterfront</b>            |   |
| Grade 5 through 8            | RCNLD x 1.8   |
| Grade 9 through 11           | RCNLD x 1.9   |
| <b>Sub 4 (The Highlands)</b> |   |
| Grade 7                      | RCNLD x .50   |
| Grade 8                      | RCNLD   |
| Grade 9, 10                  | RCNLD x 1.15  |
| Grade 11                     | RCNLD x 1.45  |
| Grade 12                     | RCNLD x 1.7   |
| Grade 13                     | RCNLD x 1.8   |

## Area 001 Market Value Changes Over Time

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time between a range of sales dates and the assessment date. The following chart shows the % time adjustment required for sales to reflect the indicated market value as of the assessment date, **January 1, 2016**.

For example, a sale of \$475,000 which occurred on October 1, 2014 would be adjusted by the time trend factor of 1.118, resulting in an adjusted value of \$531,000 ( $\$475,000 * 1.118 = \$531,050$ ) – truncated to the nearest \$1000.

| SaleDate  | Adjustment (Factor) | Equivalent Percent |
|-----------|---------------------|--------------------|
| 1/1/2013  | 1.307548959         | 30.8%              |
| 2/1/2013  | 1.297660174         | 29.8%              |
| 3/1/2013  | 1.288792665         | 28.9%              |
| 4/1/2013  | 1.27904573          | 27.9%              |
| 5/1/2013  | 1.269683405         | 27.0%              |
| 6/1/2013  | 1.260080991         | 26.0%              |
| 7/1/2013  | 1.250857483         | 25.1%              |
| 8/1/2013  | 1.241397446         | 24.1%              |
| 9/1/2013  | 1.232008954         | 23.2%              |
| 10/1/2013 | 1.222990927         | 22.3%              |
| 11/1/2013 | 1.213741641         | 21.4%              |
| 12/1/2013 | 1.204857327         | 20.5%              |
| 1/1/2014  | 1.195745182         | 19.6%              |
| 2/1/2014  | 1.186701951         | 18.7%              |
| 3/1/2014  | 1.17859267          | 17.9%              |
| 4/1/2014  | 1.169679161         | 17.0%              |
| 5/1/2014  | 1.161117374         | 16.1%              |
| 6/1/2014  | 1.152336027         | 15.2%              |
| 7/1/2014  | 1.143901188         | 14.4%              |
| 8/1/2014  | 1.135250045         | 13.5%              |
| 9/1/2014  | 1.126664329         | 12.7%              |
| 10/1/2014 | 1.118417401         | 11.8%              |
| 11/1/2014 | 1.109958988         | 11.0%              |
| 12/1/2014 | 1.101834339         | 10.2%              |
| 1/1/2015  | 1.093501341         | 9.4%               |
| 2/1/2015  | 1.085231363         | 8.5%               |
| 3/1/2015  | 1.077815478         | 7.8%               |
| 4/1/2015  | 1.069664131         | 7.0%               |
| 5/1/2015  | 1.061834431         | 6.2%               |
| 6/1/2015  | 1.053803946         | 5.4%               |
| 7/1/2015  | 1.046090339         | 4.6%               |
| 8/1/2015  | 1.038178924         | 3.8%               |
| 9/1/2015  | 1.030327341         | 3.0%               |
| 10/1/2015 | 1.022785578         | 2.3%               |
| 11/1/2015 | 1.015050413         | 1.5%               |
| 12/1/2015 | 1.007620474         | 0.8%               |
| 1/1/2016  | 1                   | 0.0%               |

## Area 001 Market Value Changes Over Time

The time adjustment formula for Area 001 is:  $1/EXP (\text{SaleDay} * + \text{SaleDaySq} * + \text{SaleDayCu} *)$

$\text{SaleDay} = \text{SaleDate} - 42370$

$\text{SaleDaySq} = (\text{SaleDate} - 42370)^2$

## Results

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

The assessment level target for all areas in King County, including this area, is 92.5. The actual assessment level for this area is 92.6% . The standard statistical measures of valuation performance are all within the IAAO recommended range of .90 to 1.10.

Application of these recommended values for the 2016 assessment year (taxes payable in 2017) results in an average total change from the 2015 assessments of +7.4%. This increase is due partly to market changes over time and the previous assessment levels.

A Ratio Study was completed just prior to the application of the 2016 recommended values. This study benchmarks the prior assessment level using 2015 posted values (1/1/2015) compared to current adjusted sale prices (1/1/2016). The study was also repeated after the application of the 2016 recommended values. The results show an improvement in the COD from 9.70% to 7.44%.

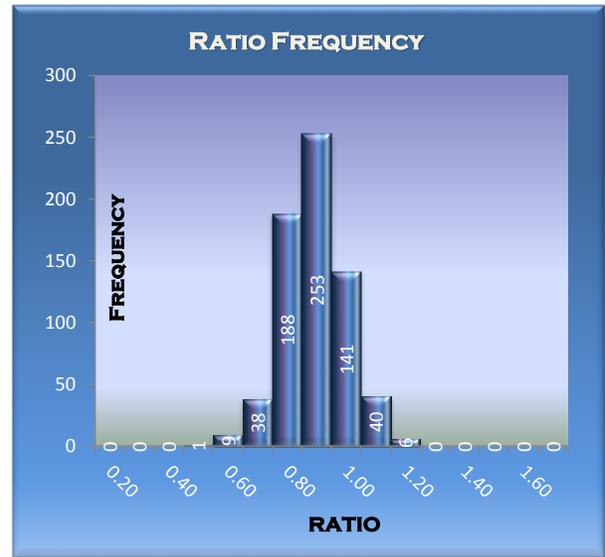
*The Appraisal Team recommends application of the Appraiser selected values, as indicated by the appropriate model or method.*

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

## Physical Inspection Ratio Study Report (Before) - 2015 Assessments

|                                  |                 |                               |                           |
|----------------------------------|-----------------|-------------------------------|---------------------------|
| <b>District: NW / Team: 2</b>    | <b>Appr.</b>    | <b>Date of Report:</b>        | <b>Sales Dates:</b>       |
| <b>Area Name: West Shoreline</b> | <b>1/1/2015</b> | <b>7/12/2016</b>              | <b>1/2013 - 12/2015</b>   |
| <b>Area Number: 1</b>            | <b>Appr ID:</b> | <b>Property Type:</b>         | <b>Adjusted for time?</b> |
|                                  | <b>CLEW</b>     | <b>1 to 3 Unit Residences</b> | <b>Yes</b>                |

| SAMPLE STATISTICS                         |                |
|---|----------------|
| <i>Sample size (n)</i>                    | 676            |
| <i>Mean Assessed Value</i>                | 513,900        |
| <i>Mean Adj. Sales Price</i>              | 617,200        |
| <i>Standard Deviation AV</i>              | 304,908        |
| <i>Standard Deviation SP</i>              | 367,128        |
| ASSESSMENT LEVEL                          |                |
| <i>Arithmetic Mean Ratio</i>              | 0.841          |
| <i>Median Ratio</i>                       | 0.838          |
| <i>Weighted Mean Ratio</i>                | 0.833          |
| UNIFORMITY                                |                |
| <i>Lowest ratio</i>                       | 0.488          |
| <i>Highest ratio:</i>                     | 1.147          |
| <i>Coefficient of Dispersion</i>          | 9.70%          |
| <i>Standard Deviation</i>                 | 0.104          |
| <i>Coefficient of Variation</i>           | 12.34%         |
| <i>Price Related Differential (PRD)</i>   | 1.010          |
| RELIABILITY                               |                |
| <i>95% Confidence: Median</i>             |                |
| <i>Lower limit</i>                        | 0.828          |
| <i>Upper limit</i>                        | 0.847          |
| <i>95% Confidence: Mean</i>               |                |
| <i>Lower limit</i>                        | 0.833          |
| <i>Upper limit</i>                        | 0.849          |
| SAMPLE SIZE EVALUATION                    |                |
| <i>N (population size)</i>                | 5882           |
| <i>B (acceptable error - in decimal)</i>  | 0.05           |
| <i>S (estimated from this sample)</i>     | 0.104          |
| <i>Recommended minimum:</i>               | 17             |
| <i>Actual sample size:</i>                | 676            |
| <i>Conclusion:</i>                        | OK             |
| NORMALITY                                 |                |
| <i>Binomial Test</i>                      |                |
| <i># ratios below mean:</i>               | 351            |
| <i># ratios above mean:</i>               | 325            |
| <i>z:</i>                                 | 1.000          |
| <i>Conclusion:</i>                        | <b>Normal*</b> |
| <i>*i.e. no evidence of non-normality</i> |                |



**COMMENTS:**

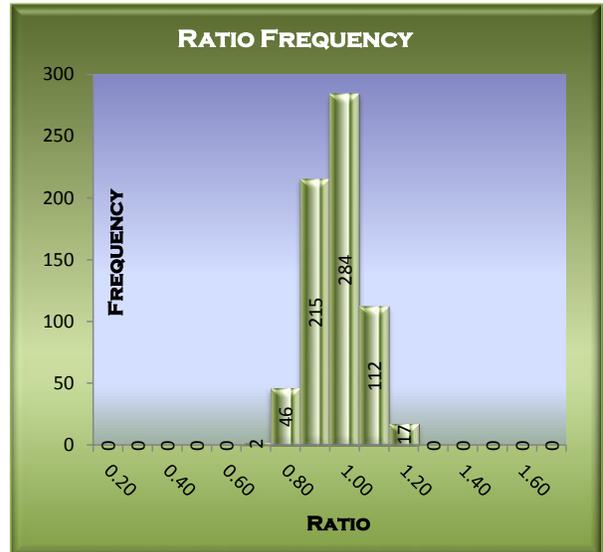
1 to 3 Unit Residences throughout Area 001

Sales Prices are adjusted for time to the Assessment Date of 1/1/2016

## Physical Inspection Ratio Study Report (After) - 2016 Assessments

|                                  |                           |   |   |
|----------------------------------|---------------------------|---|---|
| <b>District: NW / Team: 2</b>    | <b>Appr.:</b><br>1/1/2016 | <b>Date of Report:</b><br>7/12/2016             | <b>Sales Dates:</b><br>1/2013 - 12/2015 |
| <b>Area Name: West Shoreline</b> | <b>Appr. ID:</b><br>CLEW  | <b>Property Type:</b><br>1 to 3 Unit Residences | <b>Adjusted for time?</b><br>Yes        |
| <b>Area Number: 1</b>            |                           |   |   |

| SAMPLE STATISTICS                         |                |
|---|----------------|
| <b>Sample size (n)</b>                    | 676            |
| <b>Mean Assessed Value</b>                | 564,500        |
| <b>Mean Sales Price</b>                   | 617,200        |
| <b>Standard Deviation AV</b>              | 324,781        |
| <b>Standard Deviation SP</b>              | 367,128        |
| ASSESSMENT LEVEL                          |                |
| <b>Arithmetic Mean Ratio</b>              | 0.925          |
| <b>Median Ratio</b>                       | 0.926          |
| <b>Weighted Mean Ratio</b>                | 0.915          |
| UNIFORMITY                                |                |
| <b>Lowest ratio</b>                       | 0.670          |
| <b>Highest ratio:</b>                     | 1.183          |
| <b>Coefficient of Dispersion</b>          | 7.44%          |
| <b>Standard Deviation</b>                 | 0.086          |
| <b>Coefficient of Variation</b>           | 9.30%          |
| <b>Price Related Differential (PRD)</b>   | 1.011          |
| RELIABILITY                               |                |
| <b>95% Confidence: Median</b>             |                |
| <i>Lower limit</i>                        | 0.919          |
| <i>Upper limit</i>                        | 0.934          |
| <b>95% Confidence: Mean</b>               |                |
| <i>Lower limit</i>                        | 0.918          |
| <i>Upper limit</i>                        | 0.931          |
| SAMPLE SIZE EVALUATION                    |                |
| <b>N (population size)</b>                | 5882           |
| <b>B (acceptable error - in decimal)</b>  | 0.05           |
| <b>S (estimated from this sample)</b>     | 0.086          |
| <b>Recommended minimum:</b>               | 12             |
| <b>Actual sample size:</b>                | 676            |
| <b>Conclusion:</b>                        | OK             |
| NORMALITY                                 |                |
| <b>Binomial Test</b>                      |                |
| <i># ratios below mean:</i>               | 332            |
| <i># ratios above mean:</i>               | 344            |
| <i>z:</i>                                 | 0.462          |
| <b>Conclusion:</b>                        | <b>Normal*</b> |
| <b>*i.e. no evidence of non-normality</b> |                |



**COMMENTS:**

1 to 3 Unit Residences throughout Area 001

Sales Prices are adjusted for time to the Assessment Date of 1/1/2016.

# USPAP Compliance

## Client and Intended Use of the Appraisal:

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

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

## Definition and date of value estimate:

### Market Value

The basis of all assessments is the true and fair value of property. True and fair value means market value (Spokane etc. R. Company v. Spokane County, 75 Wash. 72 (1913); Mason County Overtaxed, Inc. v. Mason County, 62 Wn. 2d (1963); AGO 57-58, No. 2, 1/8/57; AGO 65-66, No. 65, 12/31/65).

The true and fair value of a property in money for property tax valuation purposes is its "market value" or amount of money a buyer willing but not obligated to buy would pay for it to a seller willing but not obligated to sell. In arriving at a determination of such value, the assessing officer can consider only those factors which can within reason be said to affect the price in negotiations between a willing purchaser and a willing seller, and he must consider all of such factors. (AGO 65,66, No. 65, 12/31/65)

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

### Highest and Best Use

#### **RCW 84.40.030**

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

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

## USPAP Compliance...Continued

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

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

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

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

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

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

### **Date of Value Estimate**

#### **RCW 84.36.005**

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

#### **RCW 36.21.080**

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

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

## USPAP Compliance...Continued

### Property Rights Appraised: Fee Simple

#### **Wash Constitution Article 7 § 1 Taxation:**

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

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

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

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

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

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

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

### Assumptions and Limiting Conditions:

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

## USPAP Compliance...Continued

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

### Scope of Work Performed:

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

### Certification:

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

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

## USPAP Compliance...Continued

- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.
- The individuals listed below were part of the “appraisal team” and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser or in any other capacity is listed adjacent their name.
- To the best of my knowledge the following services were performed by the appraisal team within the subject area in the last three years:
  - Anne Main
    - Appeals Response Preparation/Review
  - Eric Myhre
    - Appeals Response Preparation/Review
  - Janice So
    - Appeals Response Preparation/Review
  - Naomi Yaother
    - Appeals Response Preparation/Review
- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed adjacent to my name.
- To the best of my knowledge the following services were performed by me within the subject area in the last three years:
  - Cheryl Lewis
    - Annual Up-Date Model Development and Report Preparation
    - Data Collection
    - Sales Verification
    - Appeals Response Preparation / Review
    - Appeal Hearing Attendance
    - Physical Inspection Model Development and Report Preparation
    - Land and Total Valuation
    - New Construction Evaluation



07/27/2016

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Appraiser II

Date



# USPAP Compliance



## King County

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

**John Wilson**  
**Assessor**

As we start preparations for the 2016 property assessments, it is helpful to remember that the mission and work of the Assessor's Office sets the foundation for efficient and effective government and is vital to ensure adequate funding for services in our communities. Maintaining the public's confidence in our property tax system requires that we build on a track record of fairness, equity, and uniformity in property assessments. Though we face ongoing economic challenges, I challenge each of us to seek out strategies for continuous improvement in our business processes.

Please follow these standards as you perform your tasks.

- Use all appropriate mass appraisal techniques as stated in Washington State Laws, Washington State Administrative Codes, Uniform Standards of Professional Appraisal Practice (USPAP), and accepted International Association of Assessing Officers (IAAO) standards and practices.
- Work with your supervisor on the development of the annual valuation plan and develop the scope of work for your portion of appraisal work assigned, including physical inspections and statistical updates of properties;
- Where applicable, validate correctness of physical characteristics and sales of all vacant and improved properties.
- Appraise land as if vacant and available for development to its highest and best use. The improvements are to be valued at their contribution to the total in compliance with applicable laws, codes and DOR guidelines. The Jurisdictional Exception is applied in cases where Federal, State or local laws or regulations preclude compliance with USPAP;
- Develop and validate valuation models as delineated by IAAO standards: Standard on Mass Appraisal of Real Property and Standard on Ratio Studies. Apply models uniformly to sold and unsold properties, so that ratio statistics can be accurately inferred to the entire population.
- Time adjust sales to January 1, 2016 in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standard 6 for Mass Appraisals. The intended users of your appraisals and the written reports include the public, Assessor, the Boards of Equalization and Tax Appeals, and potentially other governmental jurisdictions. The intended use of the appraisals and the written reports is the administration of ad valorem property taxation.

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

John Wilson  
King County Assessor