

Steel Lake/ Star Lake

Area: 026

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

OFFICE (206) 296-7300 FAX (206) 296-0595

Email: assessor.info@kingcounty.gov

<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.

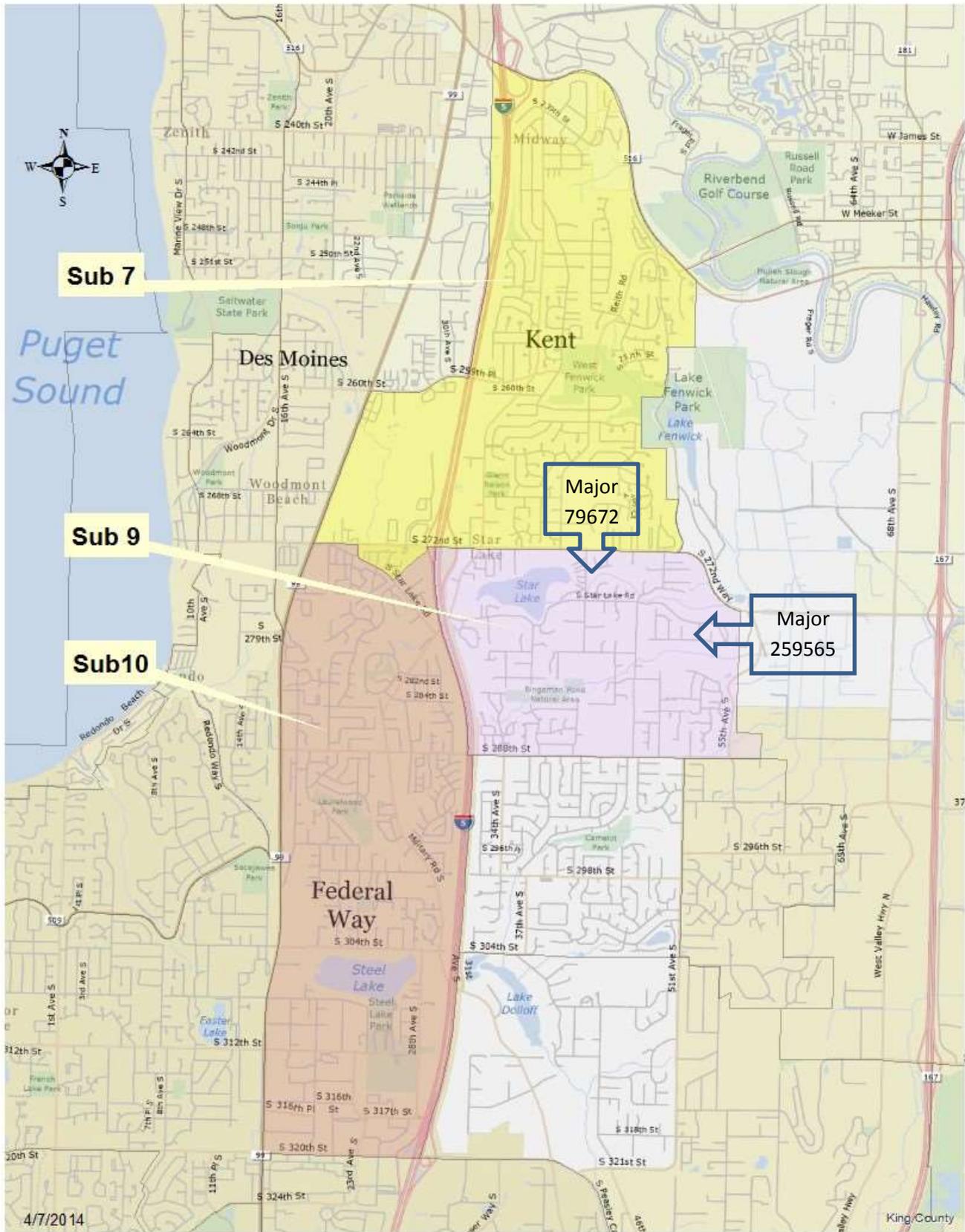
Fairness, accuracy and uniform assessments set the foundation for effective government. I am pleased to incorporate your input as we make continuous and ongoing improvements to best serve you. Our goal is to ensure every taxpayer is treated fairly and equitably.

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 026 Map



All maps in this document are subject to the following disclaimer: 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 representations or warranties, express or implied, as to 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 this map is prohibited except by written permission of King County. Scale unknown.

Area 026 Housing Profile



Grade 4/ Year Built 1948/ Total Living Area 600sf



Grade 5/ Year Built 1945/ Total Living Area 800sf



Grade 6/ Year Built 1957/ Total Living Area 1,140sf



Grade 7/ Year Built 1978/ Total Living Area 2,020sf



Grade 8/ Year Built 1993/ Total Living Area 2,140sf



Grade 9/ Year Built 1995/ Total Living Area 2,730sf

Area 026 Housing Profile... Continued



Grade 10/ Year Built 1990/ Total Living Area 3,920sf



Grade 11/ Year Built 2007/ Total Living Area 5,440sf

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

Steel Lake/ Star Lake - Area 026

Physical Inspection

Appraisal Date: 1/1/2016
Previous Physical Inspection: 2010
Number of Improved Sales: 654
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 |
| 2015 Value | \$97,000 | \$184,700 | \$281,700 | | | 9.64% |
| 2016 Value | \$95,800 | \$206,500 | \$302,300 | \$325,100 | 92.7% | 7.44% |
| \$ Change | -\$1,200 | +\$21,800 | +\$20,600 | | | |
| % Change | -1.2% | +11.8% | +7.3% | | | |

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 9.64%. 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 |
| 2015 Value | \$96,300 | \$171,000 | \$267,300 |
| 2016 Value | \$95,700 | \$193,700 | \$289,400 |
| \$ Change | -\$600 | +\$22,700 | +\$22,100 |
| % Change | -0.6% | +13.3% | +8.3% |

Number of one to three unit residences in the population: 5,806

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 026 – Steel Lake/ Star Lake, 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

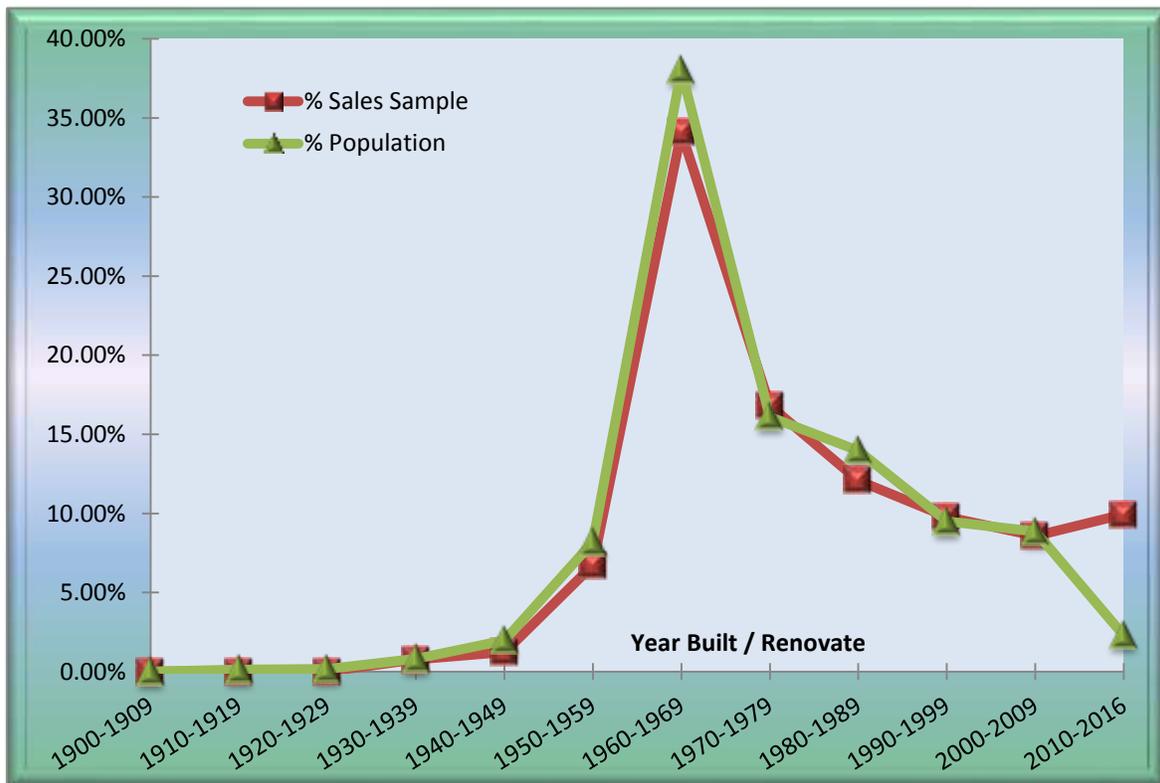
Year Built or Renovated

Sales

| Year Built/Ren | Frequency | % Sales Sample |
|----------------|-----------|----------------|
| 1900-1909 | 0 | 0.00% |
| 1910-1919 | 0 | 0.00% |
| 1920-1929 | 0 | 0.00% |
| 1930-1939 | 5 | 0.76% |
| 1940-1949 | 8 | 1.22% |
| 1950-1959 | 44 | 6.73% |
| 1960-1969 | 223 | 34.10% |
| 1970-1979 | 110 | 16.82% |
| 1980-1989 | 79 | 12.08% |
| 1990-1999 | 64 | 9.79% |
| 2000-2009 | 56 | 8.56% |
| 2010-2016 | 65 | 9.94% |
| | 654 | |

Population

| Year Built/Ren | Frequency | % Population |
|----------------|-----------|--------------|
| 1900-1909 | 0 | 0.00% |
| 1910-1919 | 7 | 0.12% |
| 1920-1929 | 10 | 0.17% |
| 1930-1939 | 47 | 0.81% |
| 1940-1949 | 115 | 1.98% |
| 1950-1959 | 475 | 8.18% |
| 1960-1969 | 2,208 | 38.03% |
| 1970-1979 | 935 | 16.10% |
| 1980-1989 | 811 | 13.97% |
| 1990-1999 | 551 | 9.49% |
| 2000-2009 | 514 | 8.85% |
| 2010-2016 | 133 | 2.29% |
| | 5,806 | |



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 have statistical significance and results are reflected in the model.

Sales Sample Representation of Population

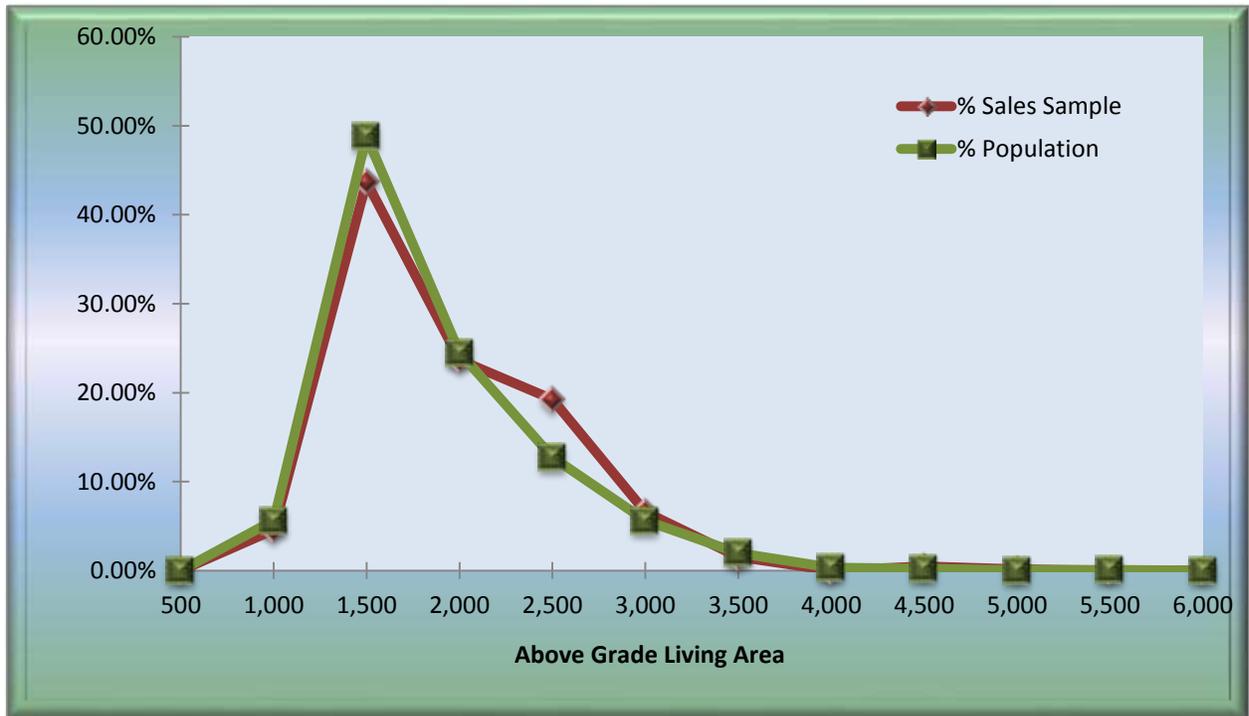
Above Grade Living Area

Sales

| AGLA | Frequency | % Sales Sample |
|-------|-----------|----------------|
| 500 | 0 | 0.00% |
| 1,000 | 30 | 4.59% |
| 1,500 | 286 | 43.73% |
| 2,000 | 155 | 23.70% |
| 2,500 | 126 | 19.27% |
| 3,000 | 43 | 6.57% |
| 3,500 | 10 | 1.53% |
| 4,000 | 0 | 0.00% |
| 4,500 | 3 | 0.46% |
| 5,000 | 1 | 0.15% |
| 5,500 | 0 | 0.00% |
| 6,000 | 0 | 0.00% |
| 654 | | |

Population

| AGLA | Frequency | % Population |
|-------|-----------|--------------|
| 500 | 0 | 0.00% |
| 1,000 | 328 | 5.65% |
| 1,500 | 2,835 | 48.83% |
| 2,000 | 1,423 | 24.51% |
| 2,500 | 739 | 12.73% |
| 3,000 | 327 | 5.63% |
| 3,500 | 115 | 1.98% |
| 4,000 | 19 | 0.33% |
| 4,500 | 12 | 0.21% |
| 5,000 | 2 | 0.03% |
| 5,500 | 5 | 0.09% |
| 6,000 | 1 | 0.02% |
| 5,806 | | |



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

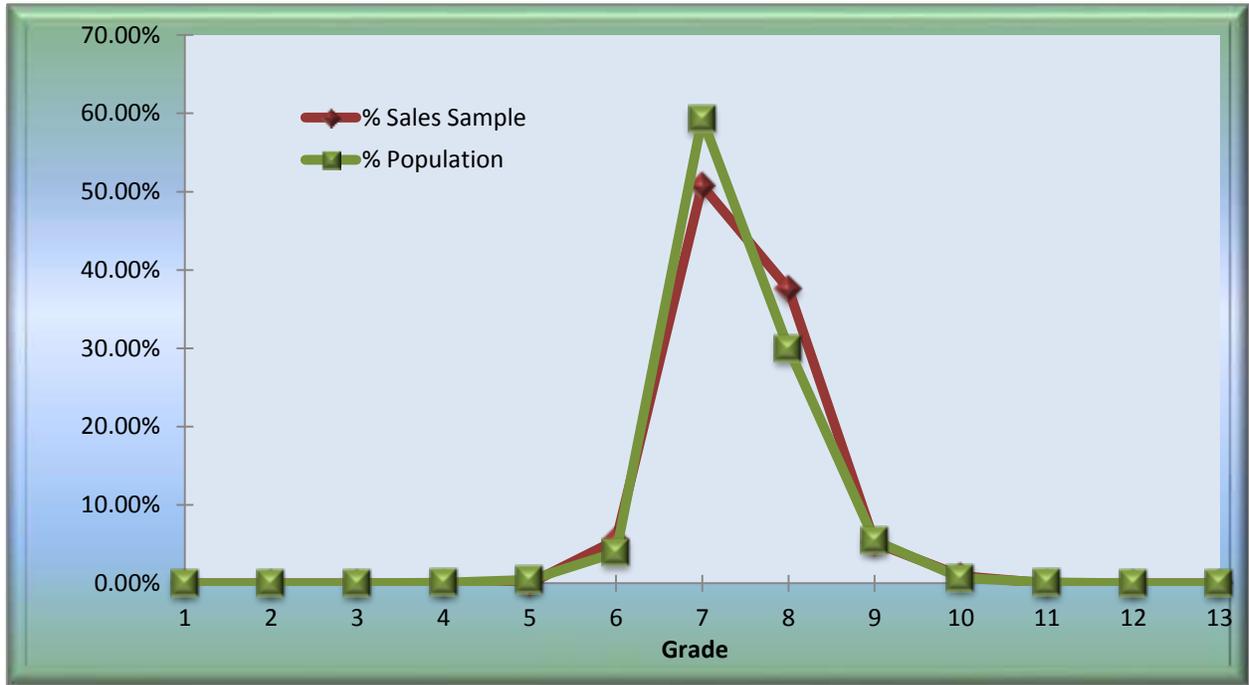
Building Grade

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 | 36 | 5.50% |
| 7 | 332 | 50.76% |
| 8 | 246 | 37.61% |
| 9 | 34 | 5.20% |
| 10 | 6 | 0.92% |
| 11 | 0 | 0.00% |
| 12 | 0 | 0.00% |
| 13 | 0 | 0.00% |
| | 654 | |

Population

| Grade | Frequency | % Population |
|-------|-----------|--------------|
| 1 | 0 | 0.00% |
| 2 | 0 | 0.00% |
| 3 | 0 | 0.00% |
| 4 | 4 | 0.07% |
| 5 | 26 | 0.45% |
| 6 | 228 | 3.93% |
| 7 | 3,445 | 59.34% |
| 8 | 1,742 | 30.00% |
| 9 | 316 | 5.44% |
| 10 | 40 | 0.69% |
| 11 | 5 | 0.09% |
| 12 | 0 | 0.00% |
| 13 | 0 | 0.00% |
| | 5,806 | |



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

Physical Inspection Process

Effective Date of Appraisal: January 1, 2016

Date of Appraisal Report: June 15, 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.

- Adam Neel – Appraiser II: Team lead, coordination, scheduling, valuation model development and testing. Land and total valuation appraisals. Sales verification, physical inspection, maintenance and report writing.
- Solomiya Bilyk – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection, maintenance and total valuation.
- Matt Smith – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and maintenance.
- Michael Mills – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and maintenance.

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 from [sales lists](#), [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 026 - Steel Lake/ Star Lake

Boundaries

Area 26 is bounded on the north by Kent-Des Moines Road; on the south by S. 320th Street west of I-5 and S. 288th Steet east of I-5; on the west by Pacific Highway South; and on the east by I-5 south of S. 288th Steet and Lake Fenwick Road north of S. 288th Steet.

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 026 is divided into three sub areas: 7, 9, and 10.

Sub area 7 is comprised of the western portion of Kent. The boundaries are south of Kent-Des Moines Road and north of S. 272nd Steet between Pacific Highway South and the ridge overlooking the Kent and Auburn Valley. This sub area is dominated by by homes built during the 1970's and 1980's consisting of mostly grade 7's and 8's. The western portion is negatively affected by traffic noise from I-5 and Military Road, while the eastern portion has Cascade, Mount Rainier and territorial views overlooking the Kent and Auburn Valley.

Sub area 9 is comprised of unincorporated portions of Auburn. The boundaries are south of S. 272nd Street and north of S. 288th Street between I-5 and the ridge overlooking the Kent and Auburn Valley. This sub area is comprised of more recent homes than sub area 7, with the majority of the homes built from 1990 to present day. Building grades of 7 to 9 dominate sub area 9. The western portion is negatively affected by traffic noise from I-5 and the eastern portion has Cascade, Mount Rainier, and territorial views overlooking the Kent and Auburn Valley. Sub area 9 also contains Star Lake which offers water front properties with a more private setting.

Sub area 10 is comprised of the eastern portion of Federal Way. The boundaries are south of S. 272nd Street and north of S. 320th Street between Pacific Highway South and I-5. This sub area is is dominated by homes built in the 1970's with some trends toward newer developments. Building grades of 7 and 8 dominate this sub area. The eastern portion is negatively affected by traffic noise from I-5. Some more elevated properties offer views of the Puget Sound. Overall, this sub area offers the convenience of closer proximity to the commercial portion of Federal Way. Sub area 10 contains Steel Lake which offers waterfront properties along with a large public park.

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.

A total of 16 vacant land and tear down sales from Area 26 were used to derive the land value. Data on lot size, zoning, location, topography, access, utilities, and views were considered while developing the land model.

Area 26 has 6,260 parcels, of which 235 are vacant sites. The average vacant site is approximately 1 acre in size, while the average improved site size is approximately 12,000 square feet. A typical platted lot in the area has an average value range between \$80,000 and \$105,000 depending on size, location and plat amenities. A typical non-platted lot in the area has an average value range of \$74,000 to \$128,000 with consideration given for size, sensitive areas, views, and access.

Land Model

Model Development, Description and Conclusions

Land values were determined using the sales comparison approach and supplemented with the land allocation approach. For land allocation we estimated a starting land-to-total value allocation of 30%. We used the starting allocation percentage in conjunction with the Assessor's depreciation table to calculate indicated land values for improved sold properties. The allocation approach gave results that were consistent with the limited number of vacant sales.

Land values were determined by a single plat value when applicable or a per lot basis for tax lots and sites that have fewer amenities. Valuation by a single plat values was indicated when improvements were homogenous and there were substantial amenities such as underground utilities, curbs, gutters, sidewalks and street lights. If a plat was more heterogeneous and had fewer amenities, the base lot schedule was used to value the land.

Land Value Model Calibration

| Land Schedule | | | | |
|---------------|-----------|--|------------|-----------------------------|
| Lot Size | Value | | Lot Size | Value |
| <5000 | \$71,000 | | 1 Acre | \$143,000 |
| 5000 | \$74,000 | | 1.25 Acres | \$152,000 |
| 6000 | \$78,000 | | 1.5 Acres | \$161,000 |
| 7000 | \$81,000 | | 1.75 Acres | \$170,000 |
| 8000 | \$84,000 | | 2 Acres | \$179,000 |
| 9000 | \$87,000 | | 2.25 Acres | \$187,000 |
| 10000 | \$91,000 | | 2.5 Acres | \$196,000 |
| 11000 | \$94,000 | | 2.75 Acres | \$205,000 |
| 12000 | \$97,000 | | 3 Acres | \$214,000 |
| 13000 | \$100,000 | | 3.25 Acres | \$223,000 |
| 14000 | \$104,000 | | 3.5 Acres | \$232,000 |
| 15000 | \$107,000 | | 3.75 Acres | \$240,000 |
| 16000 | \$110,000 | | 4 Acres | \$249,000 |
| 17000 | \$113,000 | | 4.25 Acres | \$258,000 |
| 18000 | \$117,000 | | 4.5 Acres | \$267,000 |
| 19000 | \$120,000 | | 4.75 Acres | \$276,000 |
| 20000 | \$123,000 | | 5 Acres | \$285,000 |
| 21000 | \$125,000 | | >5 Acres | \$285,000 + \$5,000/Acre |
| 22000 | \$126,000 | | | |
| 23000 | \$127,000 | | | |
| 24000 | \$127,000 | | | |
| 25000 | \$128,000 | | | |
| 26000 | \$129,000 | | | |
| 27000 | \$130,000 | | | |
| 28000 | \$131,000 | | | |
| 29000 | \$131,000 | | | |
| 30000 | \$132,000 | | | |
| 31000 | \$133,000 | | | |
| 32000 | \$134,000 | | | |
| 33000 | \$135,000 | | | |
| 34000 | \$136,000 | | | |
| 35000 | \$136,000 | | | |
| 36000 | \$137,000 | | | |
| 37000 | \$138,000 | | | |
| 38000 | \$139,000 | | | |
| 39000 | \$140,000 | | | |
| 40000 | \$140,000 | | | |
| 41000 | \$141,000 | | | |
| 42000 | \$142,000 | | | |
| 43000 | \$143,000 | | | |

*Land values are not interpolated.

Land Value Model Calibration... Continued

| Major | Plat Name | Value |
|--------|---|---------------|
| 005950 | ADRIAN PLACE | \$95,000 |
| 011000 | ALDERVIEW ADD | \$80,000 |
| 026940 | ARLINGTON MANOR DIV NO. 01 | Land Schedule |
| 026950 | ARLINGTON MANOR DIV NO. 02 | Land Schedule |
| 027120 | ARMEL ADD | \$80,000 |
| 029450 | ATHLONE | \$80,000 |
| 053700 | BARKERS STEEL LAKE TRS | Land Schedule |
| 085510 | BLECKERS VALLEY VIEW ADD | \$80,000 |
| 111700 | BRITTONS FIRST ADD | \$80,000 |
| 125320 | BURKLANDS FIRST ADD | \$80,000 |
| 131000 | CALVERT ADD | \$95,000 |
| 131096 | CAMBRIDGE EAST DIV NO. 1 | \$100,000 |
| 131097 | CAMBRIDGE EAST DIV NO. 2 | \$100,000 |
| 131098 | CAMBRIDGE EAST DIV NO. 3 | \$100,000 |
| 131099 | CAMBRIDGE HIGHLANDS | \$100,000 |
| 131050 | CAMBRIDGE NO. 01 | \$100,000 |
| 131060 | CAMBRIDGE NO. 02 | \$100,000 |
| 131070 | CAMBRIDGE NO. 03 | \$100,000 |
| 131080 | CAMBRIDGE NO. 04 | \$100,000 |
| 131090 | CAMBRIDGE NO. 05 | \$100,000 |
| 131091 | CAMBRIDGE NO. 06 | \$100,000 |
| 139780 | CAROW ADD | Land Schedule |
| 144070 | CECILIA HILLS | \$90,000 |
| 154750 | CHERRY CROFT | \$105,000 |
| 154760 | CHERRY CROFT 5-ACRE TRACTS | Land Schedule |
| 155520 | CHERRY PARK ESTATES DIV A | \$80,000 |
| 155530 | CHERRY PARK ESTATES DIV B | \$80,000 |
| 163460 | CLIFFORDS STAR LAKE ADD | Land Schedule |
| 000200 | COOPER # 38 | \$80,000 |
| | Exception for Minor -0009 | Land Schedule |
| 194140 | DEHNERT'S ADD CORRECTED PLAT OF | \$80,000 |
| 231240 | ELLENWOOD MANOR ADD | \$80,000 |
| 259565 | FOREST HILLS ESTATES II (Folios 21449A, 21449A1, 21449A2) | \$105,000 |
| 259565 | FOREST HILLS ESTATES II (Folio 21449A3) | \$155,000 |
| 289460 | GREEN VALLEY HEIGHTS DIV NO. 01 | \$95,000 |
| 289470 | GREEN VALLEY HEIGHTS DIV NO. 02 | \$95,000 |
| 289480 | GREEN VALLEY HEIGHTS DIV NO. 03 | \$95,000 |
| 289490 | GREEN VALLEY HEIGHTS DIV NO. 04 | \$95,000 |
| 289500 | GREEN VALLEY HEIGHTS DIV NO. 05 | \$95,000 |
| 289510 | GREEN VALLEY HEIGHTS DIV NO. 06 | \$95,000 |
| 289511 | GREEN VALLEY HEIGHTS NO. 06 RPLT OF POR | \$95,000 |
| 290890 | GREENFIELD PARK | \$90,000 |

Land Value Model Calibration... Continued

| | | |
|---------------|-------------------------------------|---------------|
| 293660 | GRESHAMS STAR LAKE TRS | Land Schedule |
| 298950 | HADLEY PLACE | \$105,000 |
| 304020 | HALLS ACRE TRS | Land Schedule |
| 315950 | HAVEN COURT ADD | \$80,000 |
| | Exception for Minor -0040 | Land Schedule |
| 318500 | HAYASHI LONG PLAT | Land Schedule |
| 326080 | HERITAGE WOODS DIV 1 | \$110,000 |
| 326081 | HERITAGE WOODS DIV 2 | \$110,000 |
| 327330 | HIBBFORD GLENN | \$115,000 |
| 327591 | HIDDEN TREE | \$110,000 |
| 330404 | HIGHLANDS AT WOODBROOK 2 THE | \$130,000 |
| 330403 | HIGHLANDS AT WOODBROOK THE | \$130,000 |
| 356820 | IMPERIAL MANOR | \$80,000 |
| 365500 | JACQUELYN ESTATES | \$80,000 |
| 367430 | JEANNETTE SOUNDVIEW TERRACE | Land Schedule |
| 367440 | JEANNETTE SOUNDVIEW TRS | Land Schedule |
| 383220 | KENTWOOD GLEN NO. 01 | \$90,000 |
| 383230 | KENTWOOD GLEN NO. 02 | \$90,000 |
| 383231 | KENTWOOD GLEN NO. 03 | \$90,000 |
| 383250 | KENTWOOD HILLS DIV NO. 01 | \$90,000 |
| 383260 | KENTWOOD HILLS DIV NO. 02 | \$90,000 |
| 383270 | KENTWOOD HILLS DIV NO. 03 | \$90,000 |
| 383271 | KENTWOOD HILLS DIV NO. 04 | \$90,000 |
| 387390 | KINGCO ESTATES ADD | \$90,000 |
| 387400 | KINGCO ESTATES NO. 02 | \$90,000 |
| 387401 | KINGCO ESTATES NO. 03 | \$90,000 |
| 387687 | KINKADE GLEN | Land Schedule |
| 397760 | LAGUNA HILLS DIV NO. 01 | \$90,000 |
| 397761 | LAGUNA HILLS DIV NO. 02 | \$90,000 |
| 399900 | LAKE CREST COURT | \$75,000 |
| 401320 | LAKE DOLLOFF TRS | Land Schedule |
| 418011 | LANDING AT STAR LAKE DIV NO. 02 THE | \$105,000 |
| 418010 | LANDING AT STAR LAKE THE | \$105,000 |
| 422200 | LAURELWOOD NORTH NO. 01 | \$90,000 |
| 422210 | LAURELWOOD NORTH NO. 02 | \$90,000 |
| 422220 | LAURELWOOD NORTH NO. 03 | \$90,000 |
| 422230 | LAURELWOOD NORTH NO. 04 | \$90,000 |
| 422231 | LAURELWOOD NORTH NO. 05 | \$90,000 |
| 422250 | LAURELWOOD SOUTH DIV NO. 01 | \$90,000 |
| 422260 | LAURELWOOD SOUTH DIV NO. 02 | \$90,000 |
| 422270 | LAURELWOOD SOUTH DIV NO. 03 | \$90,000 |
| 422280 | LAURELWOOD SOUTH DIV NO. 04 | \$90,000 |
| 422290 | LAURELWOOD SOUTH DIV NO. 05 | \$90,000 |
| 422292 | LAURELWOOD SOUTH DIV NO. 07 | \$90,000 |

Land Value Model Calibration... Continued

| | | |
|---------------|--|---------------|
| 422293 | LAURELWOOD SOUTH DIV NO. 08 | \$90,000 |
| 422300 | LAURELWOOD WEST | \$90,000 |
| 432450 | LINDA HEIGHTS REPLAT | \$80,000 |
| 440115 | LONGSPUR | \$105,000 |
| 500750 | MADLINE MEADOWS | \$95,000 |
| 516000 | MARK TWAIN ESTATES | \$90,000 |
| 533570 | MC HUGH ADD | \$80,000 |
| 538760 | MC NALLY ADD | \$80,000 |
| 546210 | MEREDITH HILLS HEIGHTS ADD | \$80,000 |
| 546220 | MEREDITH HILLS HEIGHTS REPLAT | \$80,000 |
| 546280 | MEREDITH VIEW ADD | \$80,000 |
| 550760 | MIDLAKE LANE ADD | \$80,000 |
| 552900 | MILITARY ARMS | \$90,000 |
| 572900 | MURRAYS ADD | Land Schedule |
| 610110 | NOFFSINGERS 2ND ADD | \$80,000 |
| 660250 | PAGE R JORY ADD | \$80,000 |
| 660300 | PAGE ROBERT W ADD | \$80,000 |
| 666901 | PARKSIDE DIV NO. 01 | \$105,000 |
| 666902 | PARKSIDE DIV NO. 02 | \$105,000 |
| 672050 | PERRY GRANT W ADD | Land Schedule |
| 677780 | PIERCES FIRST ADD | \$90,000 |
| 677790 | PIERCES SECOND ADD | Land Schedule |
| 684270 | POND-STENBERG ADD | \$80,000 |
| 693370 | PUNJAB PLAT | \$105,000 |
| 714640 | RANCHO LINDA ADD | \$80,000 |
| 714940 | RANDALL PARK DIV NO. 01 | \$95,000 |
| 714941 | RANDALL PARK DIV NO. 02 | \$95,000 |
| 720440 | REDONDO FIRS | \$90,000 |
| 720480 | REDONDO HEIGHTS | Land Schedule |
| 720590 | REDWOOD HILL | Land Schedule |
| 723759 | RESERVE AT STAR LAKE, THE | \$70,000 |
| 726320 | RICHARDS STEEL LAKE TRS | Land Schedule |
| 730320 | RIDGE WEST | \$80,000 |
| 735100 | RIVIERA THE | Land Schedule |
| 743620 | ROSEWOOD | \$90,000 |
| 746690 | RUSTIC VILLAGE ADD | \$80,000 |
| 751180 | SALLEES ADD | \$80,000 |
| 757560 | SCARBOROUGH DIV NO. 01 | \$90,000 |
| | Exceptions for Minors -0070 to -0100 and -0130 | Land Schedule |
| 757561 | SCARBOROUGH DIV NO. 02 | \$90,000 |
| 757562 | SCARBOROUGH DIV NO. 03 | \$90,000 |
| 763340 | SEACOMA PARK NO. 01 | \$90,000 |
| 763350 | SEACOMA PARK NO. 02 | \$90,000 |
| 768220 | SECOMA HEIGHTS NO. 01 | \$80,000 |

Land Value Model Calibration... Continued

| | | |
|---------------|-------------------------------|---------------|
| 768280 | SECOMA HI-WAY TRS | Land Schedule |
| 768380 | SECOMA SUBURBAN TRS | Land Schedule |
| 780630 | SKY HILL | Land Schedule |
| 785360 | SOLANO HEIGHTS ADD | Land Schedule |
| 796700 | STAR LAKE EAST | \$100,000 |
| 796720 | STAR LAKE ESTATES | \$90,000 |
| 796760 | STAR LAKE FIVE-ACRE TRS | Land Schedule |
| 796765 | STAR LAKE GLEN | \$105,000 |
| 796770 | STAR LAKE HIGHLANDS | \$90,000 |
| 796775 | STAR LAKE HILLS | \$150,000 |
| | Exception for Minor -0010 | Land Schedule |
| 796778 | STAR LAKE MEADOWS | \$95,000 |
| 796780 | STAR LAKE PARK ADD | \$90,000 |
| 796790 | STAR LAKE RIDGE | \$105,000 |
| 796795 | STAR LAKE ROAD | \$150,000 |
| 796800 | STAR LAKE VILLA | Land Schedule |
| 796820 | STAR LAKE VISTA | \$105,000 |
| 796860 | STAR VISTA ADD | Land Schedule |
| 798280 | STEEL LAKE CIRCLE | \$80,000 |
| 798290 | STEEL LAKE ESTATES DIV NO. 01 | \$80,000 |
| 798300 | STEEL LAKE ESTATES DIV NO. 02 | \$80,000 |
| 798310 | STEEL LAKE ESTATES DIV NO. 03 | \$80,000 |
| 798320 | STEEL LAKE ESTATES DIV NO. 04 | \$80,000 |
| 798380 | STEEL LAKE GLEN | \$80,000 |
| 798440 | STEEL LAKE TERRACE ADD | \$80,000 |
| 798480 | STEEL LAKE VILLAGE NO. 01 | \$80,000 |
| 798490 | STEEL LAKE VILLAGE NO. 02 | \$80,000 |
| 798500 | STEEL LAKE VILLAGE NO. 03 | \$80,000 |
| 798510 | STEEL LAKE VISTA | \$80,000 |
| 807540 | SUBURBAN VIEW ADD | \$80,000 |
| 868040 | TRESDEN PLACE | \$105,000 |
| 879800 | UDMARKS FIRST ADD | \$80,000 |
| 885760 | VALLEY HEIGHTS REPLAT | \$80,000 |
| 886000 | VALLEY VISTA ADD | \$80,000 |
| 886020 | VALLEY VISTA NO. 02 | \$80,000 |
| 887400 | VAN VLEET SHORES | \$105,000 |
| 894639 | VINEYARD THE | \$105,000 |
| 926590 | WEST CREST ADD | \$80,000 |
| 926600 | WEST CREST NO. 02 | \$80,000 |
| 931510 | WESTRIDGE DIV NO. 03 | \$80,000 |
| 939220 | WIGTON STAR LAKE ADD | Land Schedule |
| 939250 | WIGTONS SECOND ADD | \$90,000 |
| 941480 | WILDWOOD SOUTH | \$80,000 |
| 947760 | WINDSWEPT | \$105,000 |

Land Value Model Calibration... Continued

| | | |
|---------------|-------------------------|-----------|
| 948578 | WINTERBROOK II | \$100,000 |
| 951112 | WOODBROOK 4 - DIV NO. 1 | \$130,000 |
| 951093 | WOODBROOK DIV NO. 01 | \$130,000 |
| 951096 | WOODBROOK DIV NO. 02 | \$130,000 |
| 983580 | YORKSHIRE ADD | \$90,000 |
| 983610 | YORKSHIRE SOUTH | \$95,000 |

Base Land Value Adjustments

| View Type | View Quality | View Adjustment |
|----------------------------------|--------------|-----------------|
| Territorial | Average | \$10,000 |
| | Good | \$20,000 |
| | Excellent | \$30,000 |
| Cascades | Average | \$10,000 |
| | Good | \$20,000 |
| | Excellent | \$30,000 |
| Olympics | Average | \$10,000 |
| | Good | \$20,000 |
| | Excellent | \$30,000 |
| Mt. Rainier | Average | \$10,000 |
| | Good | \$20,000 |
| | Excellent | \$30,000 |
| Puget Sound | Fair | \$10,000 |
| | Average | \$20,000 |
| | Good | \$30,000 |
| | Excellent | \$40,000 |
| Lake View (no waterfront) | Average | \$3,000 |
| | Good | \$5,000 |
| | Excellent | \$7,000 |

*Only the highest view adjustment is considered.

| Water Front | Description | Adjustment |
|--------------------------|---|--|
| Steel Lake/ Star Lake | Water front parcels | Base Land Value + \$600 per front foot |
| Water Front Access | Parcels with lake access but no front footage | \$5,000 |
| Poor Quality Water Front | Often unable to install dock or other limited usability | Base Land Value + (\$600 per front foot - 25% to 50%) Depending on severity, Appraiser judgement |

Land Value Model Calibration... Continued

| Land Adjustments | Description | Adjustment |
|---|--|----------------------------|
| Traffic Noise | Moderate | -\$5,000 |
| | High | -\$10,000 |
| | Extreme | -\$15,000 |
| Non-Buildable | | \$20,000 or previous value |
| Challenged Lots | Wetlands, Topography, Steep Slopes, Powerlines | -5% to -90% |
| Water Retention Ponds/Tracts in Plats | | \$1,000 |
| Restricted Access | | -30% |
| Legal Undeveloped Access | | -25% |
| * Percentage adjustments based on starting land schedule value. | | |

Land valuation examples:

| | |
|--------------------------------|---|
| 10,000sf parcel (Dry lot size) | \$91,000 |
| 10% topography | -\$9,100 (10% of Land schedule value) |
| 50ft of water front | +\$30,000 |
| Total Adjusted value | \$111,000 (truncated to \$1,000) |

| | |
|-----------------------------|--|
| Major # 131096 | \$100,000 |
| Moderate traffic | -\$5,000 |
| Good territorial view | +\$20,000 |
| Average Cascades view | no adjustment (territorial view adjustment higher) |
| Total Adjusted Value | \$115,000 |

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. Sales are listed in the “Improved Sales Used In This Physical Inspection Analysis” and “Improved Sales Removed From This Physical Inspection Analysis” sections of this report. Additional information may reside in the Assessor’s Real Property Database, Assessor’s procedures, Assessor’s “field” maps, Revalue Plan, separate studies, and statutes.

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. In addition to standard physical property characteristics, the analysis showed that recent construction (year built > 1999) was influential in the market.

Improved Parcel Total Value Model Calibration

| Variable | Definition |
|------------|--------------------------------------|
| AccyRcnldC | Accesory Cost New Less Depreciation |
| AgeC | Age of improvement |
| BaseLandC | 2016 Adjusted Base Land Value |
| BldgRcnC | Building Replacement Cost New |
| GoodYN | Condition of improvement = Good |
| NewHouseYN | Year Built > 1999 |
| SaleDay | Sale Date |
| SaleDaySq | Sale Date Squared |
| TotViewYN | View property |
| VGoodYN | Condition of improvement = Very Good |
| WftLocYN | Waterfront property |

Multiplicative Model

$(1-0.075) * \text{EXP}(2.01600689479895 + 0.00827343858984954 * \text{AccyRcnldC} - 0.0701547554453328 * \text{AgeC} + 0.261699272255138 * \text{BaseLandC} + 0.504899318875812 * \text{BldgRcnC} + 0.0295888714288421 * \text{GoodYN} + 0.0208633310252623 * \text{NewHouseYN} + 0.000342260082385992 * \text{SaleDay} + 1.26681522529481\text{E-}07 * \text{SaleDaySq} + 0.0190414741433661 * \text{TotViewYN} + 0.0679776426247122 * \text{VGoodYN} + 0.128916452502942 * \text{WftLocYN}) * 1000$

EMV values were not generated for:

- Buildings with grade less than 5
- Building two or greater. (EMV is generated for building one only.)
- If total EMV is less than base land value
- Lot size less than 100 square feet
- Buildings in poor condition
- Buildings in fair condition

Of the 5,806 improved parcels in the population, 4,963 parcels increased in value. They were comprised of 1 single family residence on commercially zoned land and 4,962 single family residences or other parcels.

Of the 177 vacant land parcels greater than \$1000, 106 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

Supplemental Models and Exceptions

Plats:

| Major | Plat Name | Adjustment |
|--------|-------------------------|------------|
| 259565 | Forest Hills Estates II | EMV * 1.1 |
| 796720 | Star Lake Estates | EMV * 1.1 |

Additional:

| Description | Adjustment |
|------------------|--|
| Poor condition | Base Land + Imp RCNLD |
| Fair condition | Base Land + Imp RCNLD |
| Grade < 5 | Base Land + Imp RCNLD or minimal imp value |
| Accessory Only | Base Land + Accessory RCNLD |
| Multiple Imps | Base Land + Imp1 EMV + (RCNLD for Imp 2 and more) |
| Grade 9 | Total EMV * 1.035 (except Forest Hills Estates II) |
| Mobile Homes | Base Land + Imp RCNLD * 1.5 + Accessory RCNLD (if any) |
| EMV < BLV | Base Land + Imp RCNLD or minimal imp value |
| Obsolescence | Base Land + Imp EMV * (100 - %obsolescence) |
| Percent Complete | Base Land + Imp EMV * %complete |
| Net Condition | Base Land + Imp EMV * %net condition |

Area 026 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 1.139, resulting in an adjusted value of \$541,000 ($\$475,000 * 1.139 = \$541,025$) – truncated to the nearest \$1000.

| SaleDate | Adjustment (Factor) | Equivalent Percent |
|-----------|---------------------|--------------------|
| 1/1/2013 | 1.250 | 25.0% |
| 2/1/2013 | 1.247 | 24.7% |
| 3/1/2013 | 1.244 | 24.4% |
| 4/1/2013 | 1.241 | 24.1% |
| 5/1/2013 | 1.238 | 23.8% |
| 6/1/2013 | 1.234 | 23.4% |
| 7/1/2013 | 1.230 | 23.0% |
| 8/1/2013 | 1.226 | 22.6% |
| 9/1/2013 | 1.221 | 22.1% |
| 10/1/2013 | 1.216 | 21.6% |
| 11/1/2013 | 1.211 | 21.1% |
| 12/1/2013 | 1.206 | 20.6% |
| 1/1/2014 | 1.200 | 20.0% |
| 2/1/2014 | 1.194 | 19.4% |
| 3/1/2014 | 1.188 | 18.8% |
| 4/1/2014 | 1.182 | 18.2% |
| 5/1/2014 | 1.175 | 17.5% |
| 6/1/2014 | 1.168 | 16.8% |
| 7/1/2014 | 1.162 | 16.2% |
| 8/1/2014 | 1.154 | 15.4% |
| 9/1/2014 | 1.146 | 14.6% |
| 10/1/2014 | 1.139 | 13.9% |
| 11/1/2014 | 1.131 | 13.1% |
| 12/1/2014 | 1.123 | 12.3% |
| 1/1/2015 | 1.114 | 11.4% |
| 2/1/2015 | 1.105 | 10.5% |
| 3/1/2015 | 1.097 | 9.7% |
| 4/1/2015 | 1.088 | 8.8% |
| 5/1/2015 | 1.079 | 7.9% |
| 6/1/2015 | 1.070 | 7.0% |
| 7/1/2015 | 1.060 | 6.0% |
| 8/1/2015 | 1.051 | 5.1% |
| 9/1/2015 | 1.041 | 4.1% |
| 10/1/2015 | 1.031 | 3.1% |
| 11/1/2015 | 1.021 | 2.1% |
| 12/1/2015 | 1.011 | 1.1% |
| 1/1/2016 | 1.000 | 0.0% |

Area 026 Market Value Changes Over Time

The time adjustment formula for Area 026 is:

$1/EXP(0.000342260082385992 * SaleDay + 1.26681522529481E-07 * SaleDaySq)$

$SaleDay = SaleDate - 42370$

$SaleDaySq = (SaleDate - 42370)^2$

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 92.7% . 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 +8.3%. 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 9.64% to 7.44%.

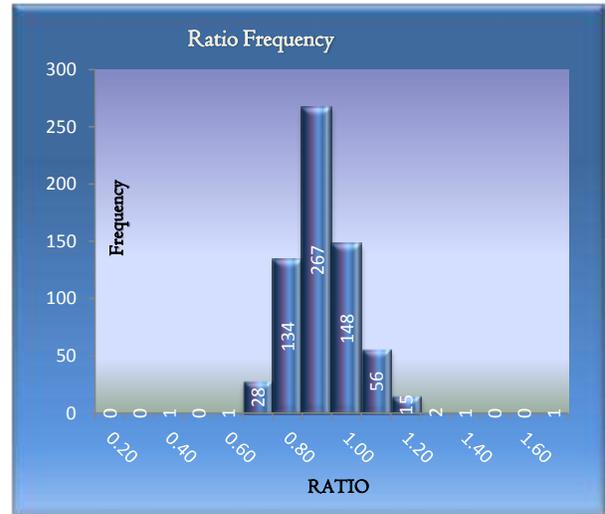
The Appraisal Team recommends application of the Appraiser selected values, as indicated by the appropriate model or method.

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

| | | | |
|----------------------------------|-----------------|------------------------|---------------------------|
| District: SW / Team: 2 | Appr. | Date of Report: | Sales Dates: |
| Area Name: Steel Lake/ Star Lake | 1/1/2015 | 6/15/2016 | 1/2013 - 12/2015 |
| Area Number: 26 | Appr ID: | Property Type: | Adjusted for time? |
| | ANEE | 1 to 3 Unit Residences | Yes |

| SAMPLE STATISTICS | |
|---|----------------|
| Sample size (n) | 654 |
| Mean Assessed Value | 281,700 |
| Mean Adj. Sales Price | 325,100 |
| Standard Deviation AV | 85,944 |
| Standard Deviation SP | 86,424 |
| ASSESSMENT LEVEL | |
| Arithmetic Mean Ratio | 0.868 |
| Median Ratio | 0.860 |
| Weighted Mean Ratio | 0.867 |
| UNIFORMITY | |
| Lowest ratio | 0.316 |
| Highest ratio: | 1.637 |
| Coefficient of Dispersion | 9.64% |
| Standard Deviation | 0.112 |
| Coefficient of Variation | 12.94% |
| Price Related Differential (PRD) | 1.002 |
| RELIABILITY | |
| 95% Confidence: Median | |
| Lower limit | 0.849 |
| Upper limit | 0.870 |
| 95% Confidence: Mean | |
| Lower limit | 0.860 |
| Upper limit | 0.877 |
| SAMPLE SIZE EVALUATION | |
| N (population size) | 5806 |
| B (acceptable error - in decimal) | 0.05 |
| S (estimated from this sample) | 0.112 |
| Recommended minimum: | 20 |
| Actual sample size: | 654 |
| Conclusion: | OK |
| NORMALITY | |
| Binomial Test | |
| # ratios below mean: | 351 |
| # ratios above mean: | 303 |
| z: | 1.877 |
| Conclusion: | Normal* |
| *i.e. no evidence of non-normality | |



COMMENTS:

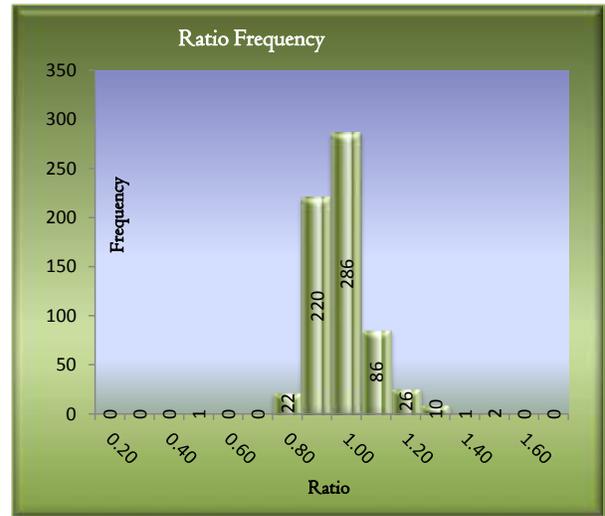
1 to 3 Unit Residences throughout Area 026

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

Physical Inspection Ratio Study Report (After) - 2016 Assessments

| | | | |
|---|--------------------------|---|---|
| District: SW / Team: 2 | Appr. 1/1/2016 | Date of Report: 6/15/2016 | Sales Dates: 1/2013 - 12/2015 |
| Area Name: Steel Lake/ Star Lake | Appr. ID: ANEE | Property Type: 1 to 3 Unit Residences | Adjusted for time? Yes |
| Area Number: 26 | | | |

| SAMPLE STATISTICS | |
|--|-------------------|
| Sample size (n) | 654 |
| Mean Assessed Value | 302,300 |
| Mean Sales Price | 325,100 |
| Standard Deviation AV | 77,536 |
| Standard Deviation SP | 86,424 |
| ASSESSMENT LEVEL | |
| Arithmetic Mean Ratio | 0.938 |
| Median Ratio | 0.927 |
| Weighted Mean Ratio | 0.930 |
| UNIFORMITY | |
| Lowest ratio | 0.430 |
| Highest ratio: | 1.484 |
| Coefficient of Dispersion | 7.44% |
| Standard Deviation | 0.096 |
| Coefficient of Variation | 10.28% |
| Price Related Differential (PRD) | 1.009 |
| RELIABILITY | |
| 95% Confidence: Median | |
| Lower limit | 0.919 |
| Upper limit | 0.931 |
| 95% Confidence: Mean | |
| Lower limit | 0.931 |
| Upper limit | 0.946 |
| SAMPLE SIZE EVALUATION | |
| N (population size) | 5806 |
| B (acceptable error - in decimal) | 0.05 |
| S (estimated from this sample) | 0.096 |
| Recommended minimum: | 15 |
| Actual sample size: | 654 |
| Conclusion: | OK |
| NORMALITY | |
| Binomial Test | |
| # ratios below mean: | 380 |
| # ratios above mean: | 274 |
| z: | 4.145 |
| Conclusion: | Non-normal |



COMMENTS:

1 to 3 Unit Residences throughout Area 026

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

Mobile Home Valuation

Mobile Home 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. Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.

For Mobile Homes the Assessor uses residential costs from Marshall & Swift, from the September prior to the Assessment year (i.e. Marshall & Swift's September 2015 update for the 2016 Assessment Year). The cost model specifies physical characteristics of the mobile home such as length, width, living area, class, condition, size, year built. 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, class, and condition, resulting in Reconstruction Cost New less Depreciation (RCNLD). The appraiser can also apply a net condition for Mobile Homes that have depreciated beyond the normal percent good for their age and condition.

Model Development, Description and Conclusions:

There are 81 properties with manufactured homes as the primary residence in area 26. All manufactured homes were field inspected, characteristics checked and updated as needed. A supplemental model was developed utilizing the 4 available sales in area 26.

A market adjustment cost approach was used to value these properties.

(King County Manufactured Home Cost Model * 1.5) + Accessory RCNLD + 2017 Base Land Value

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, 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.

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:
 - Solomiya Bilyk, Matt Smith, and Michael Mills
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Appeal Hearing Attendance
 - Land and Total Valuation
 - New Construction Evaluation
- 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:
 - Adam Neel
 - 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


Appraiser II

June 22, 2016

Date



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

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