Ravenna / University District

Area: 044

Residential Revalue for 2019 Assessment Roll

Obtained from City-Data.com

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

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

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John Wilson
Assessor

Dear Property Owners,

Our field appraisers work hard throughout the year to visit properties in neighborhoods across King County. As a result, new commercial and residential valuation notices are mailed as values are completed. We value your property at its "true and fair value" reflecting its highest and best use as prescribed by state law (RCW 84.40.030; WAC 458-07-030).

We continue to work to implement your feedback and ensure we provide you accurate and timely information. We have made significant improvements to our website and online tools to make interacting with us easier. The following report summarizes the results of the assessments for your area along with a map. Additionally, I have provided a brief tutorial of our property assessment process. It is meant to provide you with background information about our process and the basis for the assessments in your area.

Fairness, accuracy and transparency set the foundation for effective and accountable government. I am pleased to continue to incorporate your input as we make ongoing improvements to 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 ever have any questions, comments or concerns about the property assessment process and how it relates to your property.

In Service,

John Wilson
King County Assessor

How Property Is Valued

King County along with Washington's 38 other counties use mass appraisal techniques to value all real property each year for property assessment purposes.

What Are Mass Appraisal Techniques?

In King County the Mass Appraisal process incorporates statistical testing, generally accepted valuation methods, and a set of property characteristics for approximately 700,000 residential, commercial and industrial properties. More specifically for residential property, we break up King County into 88 residential market areas and annually develop market models from the sale of properties using multiple regression statistical tools. The results of the market models are then applied to all similarly situated homes within the same appraisal area.

Are Properties Inspected?

All property in King County is physically inspected at least once during each six year cycle. Each year our appraisers inspect a different geographic area. An inspection is frequently an external observation of the property to confirm whether the property has changed by adding new improvements or shows signs of deterioration more than normal for the property's age. From the property inspections we update our property assessment records for each property. In cases where an appraiser has a question, they will approach the residence front door to make contact with the property owner or leave a card requesting the taxpayer contact them.

RCW 84.40.025 - Access to property

> For the purpose of assessment and valuation of all taxable property in each county, any real or personal property in each county shall be subject to visitation, investigation, examination, discovery, and listing at any reasonable time by the county assessor of the county or by any employee thereof designated for this purpose by the assessor.
>
> In any case of refusal to such access, the assessor shall request assistance from the department of revenue which may invoke the power granted by chapter 84.08 RCW.

How Are Property Sales Used?

For the annual revaluation of residential properties, three years of sales are analyzed with the sales prices time adjusted to January 1 of the current assessment year. Sales prices are adjusted for time to reflect that market prices change over time. During an increasing market, older sales prices often understate the current market value. Conversely, during downward (or recessionary) markets, older sales prices may overstate a property's value on January 1 of the assessment year unless sales are time adjusted. Hence time adjustments are an important element in the valuation process.

How is Assessment Uniformity Achieved?

We have adopted the Property Assessment Standards prescribed by the International Association of Assessing Officers that may be reviewed at www.IAAO.org. As part of our valuation process statistical testing is performed by reviewing the uniformity of assessments within each specific market area, property type, and quality grade or residence age. More specifically Coefficients of Dispersion (aka COD) are developed that show the uniformity of predicted property assessments. We have set our target CODs using the standards set by IAAO which are summarized in the following table:

Type of property—General	Type of property—Specific	COD Range**
Single-family residential (including residential condominiums)	Newer or more homogeneous areas	5.0 to 10.0
Single-family residential	Older or more heterogeneous areas	5.0 to 15.0
Other residential	Rural, seasonal, recreational, manufactured housing, 2–4 unit family housing	5.0 to 20.0
Income-producing properties	Larger areas represented by large samples	5.0 to 15.0
Income-producing properties	Smaller areas represented by smaller samples	5.0 to 20.0
Vacant land		5.0 to 25.0
Other real and personal property		Varies with local conditions

Source: IAAO, Standard on Ratio Studies, 2013, Table 1-3.

More results of the statistical testing process is found within the attached area report.

Requirements of State Law

Within Washington State, property is required to be revalued each year to market value based on its highest and best use. (RCW 84.41.030; 84.40.030; and WAC 458-07-030). Washington Courts have interpreted fair market value as the amount of money a buyer, willing but not obligated to buy, would pay to a seller willing but not obligated to sell. Highest and Best Use is simply viewed as the most profitable use that a property can be legally used for. In cases where a property is underutilized by a property owner, it still must be valued at its highest and best use.

Appraisal Area Reports

The following area report summarizes the property assessment activities and results for a general market area. The area report is meant to comply with state law for appraisal documentation purposes as well as provide the public with insight into the mass appraisal process.

King County
Department of Assessments
King County Administration Bldg.
500 Fourth Avenue, ADM-AS-0708
Seattle, WA 98104-2384

John Wilson
Assessor

Ravenna / University District – Area 044

2019 Assessment Roll Year

Recommendation is made to post values for Area 044 to the 2020 tax roll:

Appraiser II: Paul Greatorex — 8/22/2019 Date

NW District Senior Appraiser: Ron Guidry — 8/22/2019 Date

Residential Division Director: Jeff Darrow — 8/23/2019 Date

This report is hereby accepted and the values described in the attached documentation for Area 044 should be posted to the 2020 tax roll.

John Wilson, King County Assessor — 8/30/2019 Date

Executive Summary
Ravenna / University District - Area 044
Physical Inspection

Appraisal Date: 1/1/2019

Previous Physical Inspection: 2015

Number of Improved Sales: 470

Range of Sale Dates: 1/1/2016 – 12/31/2018 Sales were time adjusted to 1/1/2019

Sales - Improved Valuation Change Summary:						
	Land	Improvements	Total	Mean Sale Price	Ratio	COD
2018 Value	$428,100	$431,500	$859,600			10.26%
2019 Value	$455,200	$445,200	$900,400	$978,500	92.1%	7.76%
$ Change	+$27,100	+$13,700	+$40,800			
% Change	+6.3%	+3.2%	+4.7%			

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2019 COD of 7.76% is an improvement from the previous COD of 10.26%. 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 1/1/2016 to 12/31/2018 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2019.

Population - Improved Valuation Change Summary:			
	Land	Improvements	Total
2018 Value	$452,300	$375,500	$827,800
2019 Value	$494,000	$367,300	$861,300
$ Change	+$41,700	-$8,200	+$33,500
% Change	+9.2%	-2.2%	+4.0%

Number of one to three unit residences in the population: 4,570

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 044 – Ravenna / University District, 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.

The current physical inspection analysis for Area 044 indicated a substantial change was needed in the allocation of the land and improvement value as part of the total. Land is valued as though vacant and at its highest and best use. The improvement value is a residual remaining when land is subtracted from total value.

Since the last physical inspection in 2015, the demand for land has substantially increased in this area. In the last few years, portions of the University District, Roosevelt, and Ravenna communities have been rezoned by

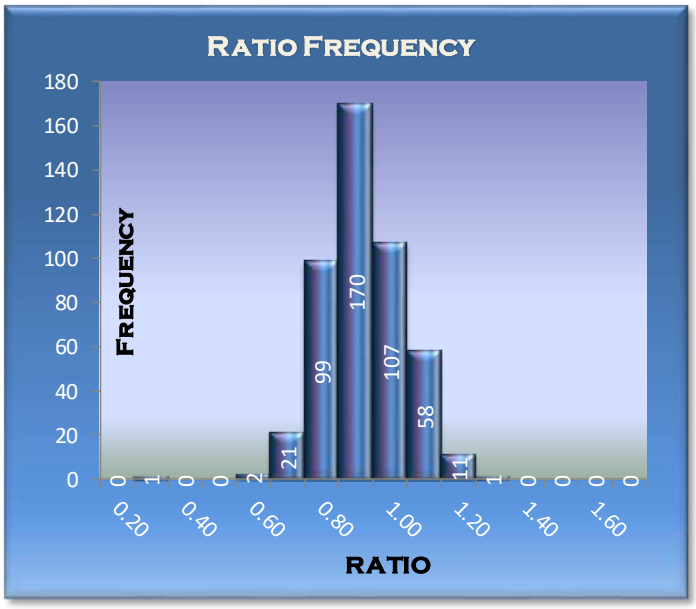
the city of Seattle. Most of the parcels in Area 44 have already been developed, there is a shortage of vacant land for future development. As a consequence, builders purchase older and smaller homes, tear them down, and then build new single family residences, townhomes, and higher density structures such as apartment buildings. In the past several years new single family residences and townhomes have sold soon after they were built due to the higher demand for properties within the area. This increased demand for Seattle housing has produced higher prices for builders to pay to acquire land to develop.

Area 044 Physical Inspection Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

Pre-revalue ratio analysis compares time adjusted sales from 2015 through 2018 in relation to the previous assessed value as of 1/1/2018.

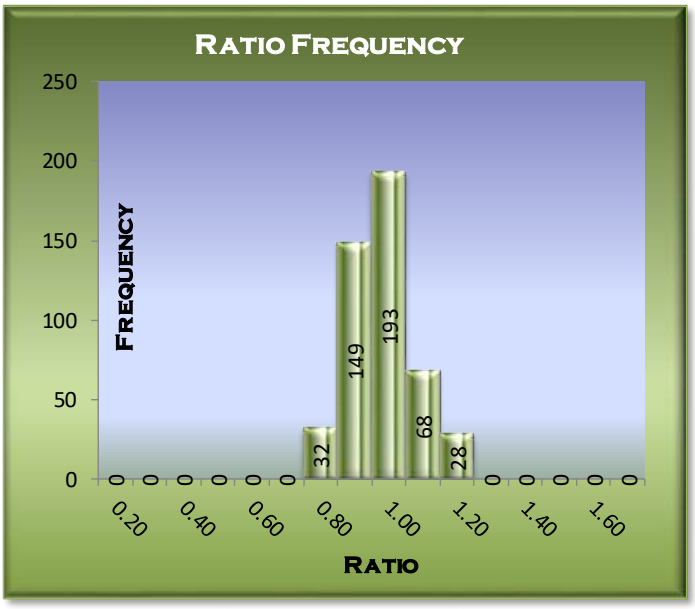
PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	470
Mean Assessed Value	859,600
Mean Adj. Sales Price	978,500
Standard Deviation AV	307,544
Standard Deviation SP	294,772
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.875
Median Ratio	0.869
Weighted Mean Ratio	0.878
UNIFORMITY	
Lowest ratio	0.268
Highest ratio:	1.210
Coefficient of Dispersion	10.26%
Standard Deviation	0.114
Coefficient of Variation	13.03%
Price Related Differential (PRD)	0.996



POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares time adjusted sales from 2016 through 2018 and reflects the assessment level after the property has been revalued to 1/1/2019.

POST REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	470
Mean Assessed Value	900,400
Mean Sales Price	978,500
Standard Deviation AV	256,986
Standard Deviation SP	294,772
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.929
Median Ratio	0.921
Weighted Mean Ratio	0.920
UNIFORMITY	
Lowest ratio	0.724
Highest ratio:	1.175
Coefficient of Dispersion	7.76%
Standard Deviation	0.091
Coefficient of Variation	9.81%
Price Related Differential (PRD)	1.009



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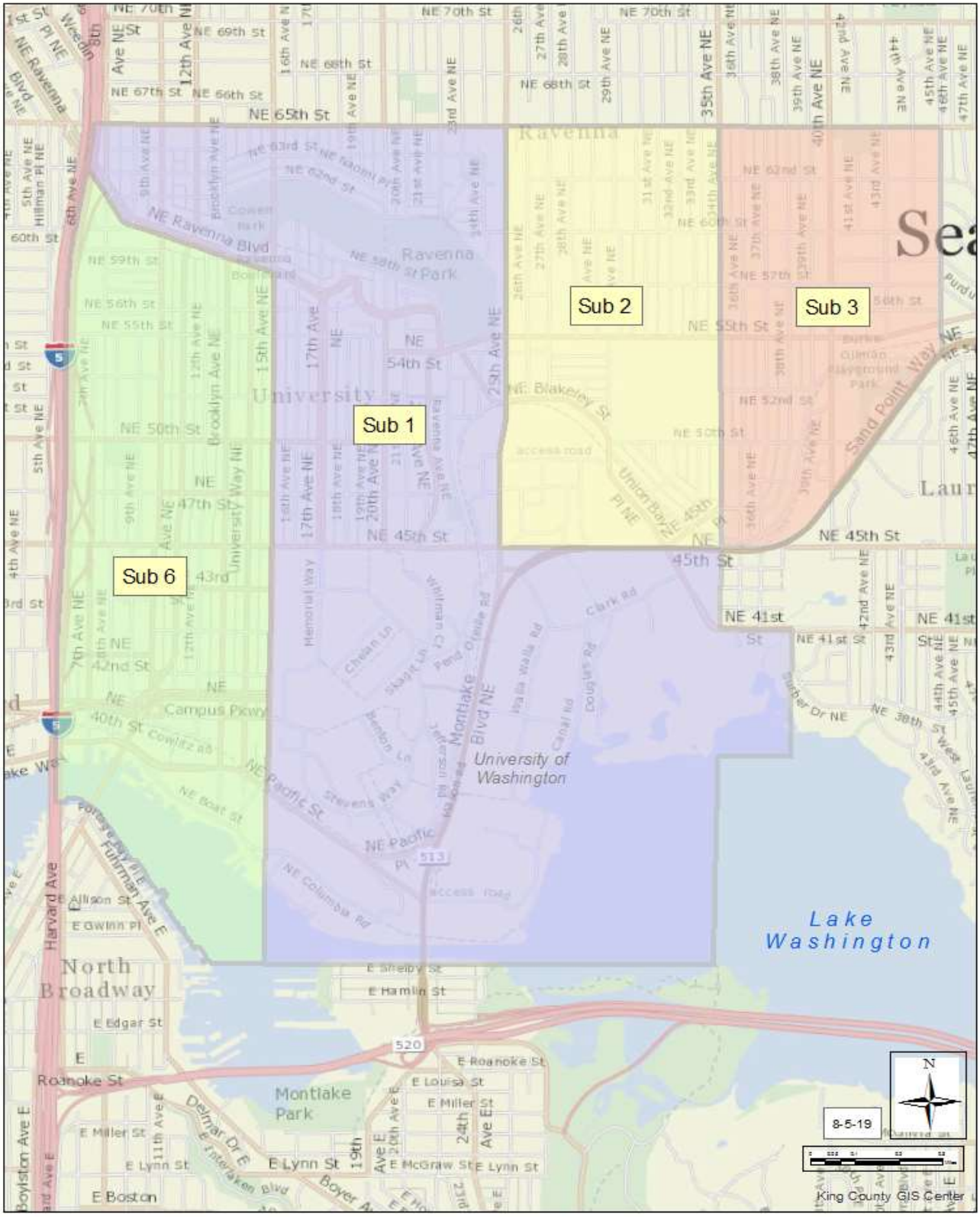
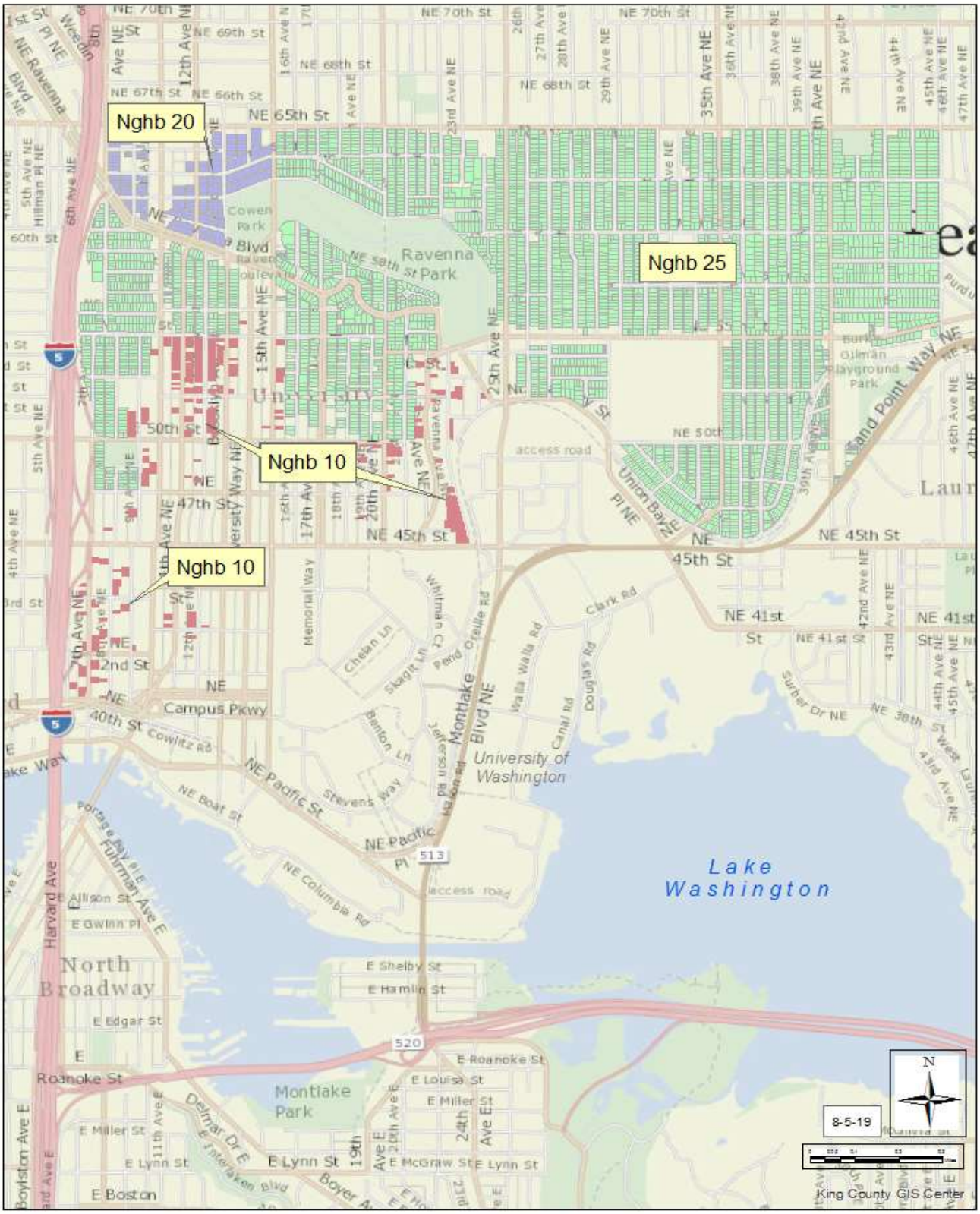
Area 044 Map



Neighborhood Map



Area Information

Name or Designation

Area 044 - Ravenna / University District

Boundaries

The Area boundaries are, NE 65th Street on the north; Interstate 5 on the west; Portage Bay, Montlake Cut and Union Bay on the south; and Montlake Blvd. NE, Sand Point Way NE and 45th Ave NE on the east.

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 44 is located in northeast Seattle and includes the following neighborhood communities; University District, parts of Roosevelt and Ravenna, plus Bryant and Hawthorne Hills. This area is densely populated with apartments near the University of Washington and gradually changes to single family residential the further away from the school. The typical house is average quality and was built between 1900-1939. Major landmarks in the area are University of Washington, UW Medical Center and Ravenna Park. Construction is ongoing for the Light Rail train system with future stations being built in the University District and Roosevelt communities that will connect Area 44 to points south and north, including downtown Seattle, SeaTac Airport, Northgate Mall, and the city of Lynnwood to the north. The area is also well serviced by a full range of commercial and professional facilities, public transportation, schools, parks and easy access to highways Interstate-5 and State Route 520.

There are two major employers in Area 44, the University of Washington and the UW Medical Center. Shopping and dining opportunities are abound at University Village shopping center and on several arterial streets in the area. The large city park in the Area, Ravenna Park has playfields and walking trails. Area 44 is also a short distance from other Seattle parks including Green Lake Park and Montlake Park. The Burke-Gilman bike trail goes along the southern portion of Area 44 and is used for commuting and recreation.

There are four Sub Areas in Area 44. Sub area one and six include the communities of University District and portions of Ravenna and Roosevelt. The remaining sub areas, subs two and three are located east of 25th Ave NE. This part of Area 44 is predominantly detached single family residences with a cluster of townhomes located near Sand Point Way NE. Sub areas 1 and 6 are more densely populated with apartments and mixed use structures in the University and portions of Ravenna and Roosevelt communities. Given these many different residential uses in the area, the housing stock is heterogeneous. Zoning density is higher near the University of Washington and along/near arterial streets. The higher zoned parcels include a housing style which includes apartments, rooming houses, duplex, triplex, fourplex, townhouses, etc. In the residential zoned areas, the average lot size is approximately 4600 square feet and a typical house is grade 7, built between 1900-1939, with 1400 square feet of above grade living area plus a basement. There are over 300 townhouses with grades

ranging from 4 to 9 in area 44; typically, they are grade 7 and 8 and have a lot size of 1200 square feet with 1360 square feet of total living area on three floors and were built from 1996 to the present.

There are currently 23 vacant lots in Area 44, less than .5% of parcels. The limited availability of vacant lots in this area has caused builders to buy lower quality and smaller homes, demolish them and build on the site. Depending on zoning and proximity to the University or Light Rail stations, the new building may be a house, townhouse, apartment building, rooming house or mixed use. An emerging trend is increasing density near the Light Rail stations, even though the stations in Area 44 are still under construction. In Area 44 there are over 350 older single family residences, duplexes or triplexes on parcels that are zoned for higher density development or commercial use. As demand for housing increases it is likely that many of these will be torn down and higher density development will be built.

Land Valuation

Vacant sales from 1/1/2016 to 12/31/2018 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2019. Area 44 is an older urban area with few vacant land sales. There are currently only 23 vacant lots in this area, less than .5% of total parcels. It was therefore necessary to look at tear down sales in order to develop a land model. The majority of the 32 land sales were via tear downs. This is where the buyer purchases an existing property (typically an older and smaller home for the area) and demolishes the structure to build another improvement. By removing the old improvement shortly after a sale, it suggests that the buyer was only interested in the land. Depending on zoning, the new building may be a house, townhouse, apartment building, rooming house or in some cases mixed use buildings.

After analyzing vacant land sales and tear down sales, the data appears to reflect that a typical SF5000 zoned lot of 5000 square feet in the area is now valued at $500,000. Depending what Sub Area an LR1, LR2, or LR3 is located in and the size of the lot would dictate how many dwelling units may be constructed on site, but an LR1 zoned 3000 sf lot in Sub Area 1 is valued at $495,000 and in Sub Area 3 it is valued at $467,000. There are also residential parcels that have one of the 12 different commercial zoning categories in this area that will allow multi-story apartments and mixed use structures.

Land Model

Model Development, Description and Conclusions

All land was valued at its highest and best use as if vacant. Parcel size, zoning, and traffic noise were the main factors influencing value. Positive adjustments were made for views. Negative adjustments were made for traffic noise and steep topography. Large sites with residential or commercial zoning, where short platting is typical, were valued based on specific zoning and potential number of sites allowed for development with consideration made for development costs. The western boundary of Area 44 is Interstate 5 which creates traffic noise along with north/south and east/west arterials in this area. Because of this, approximately 25% of the parcels in Area 44 are coded for traffic noise and were discounted accordingly. 3% of the parcels are adjusted downward due to their sloping topography limiting their lot utility, but 2% of the population received upward adjustments for their view amenity.

In the last few years, the City of Seattle has rezoned many parcels in Sub Areas 1 and 6 due to their proximity to the coming Light Rail train stations. This has led to increased land values and a change in the highest and best use. There are parcels that once had a single family residence on site. On this same site due to the zoning change and demand for housing, you can now build a 7 story apartment building. Density is increasing in all areas where the current zoning is higher than single family residential. In the past, builders would tear down an old house in a low-rise zone (LR1, LR2, LR3 zones), divide the land into smaller parcels, and build townhouses. This is still happening to some degree but a newer trend is to build an apartment building or rooming house (depending on zoning). It appears that the income potential may be greater if building an apartment/rooming house than if constructing townhouses. When comparing parcels, as zoning and lot size increase, the likelihood of denser development also increases.

Area 44 contains 216 commercial parcels with zoning greater than LR3, 121 of these parcels are townhouse properties with lots <2000 square feet, most are located in the University District and Roosevelt communities. There are no townhouse commercially zoned parcels with lots greater than 2000 sf. Area 44 has 12 commercial zones greater than LR3 (see diagram below). They include zoning classes of High Density Apartments and Commercial Neighborhoods. In this Area, 11 Townhouse sales have occurred in the last 3 years with commercial zoning greater than LR3. None of these townhouse sales have been razed in the last 3 years for commercial use development. Because of this, the land value for these townhouse parcels will receive similar land values as LR3 parcels of similar size.

The commercial land model, developed by the King County Department of Assessments, Commercial Department, was considered and contributed to the land valuation of parcels zoned LR1, LR2, LR3. For parcels with commercial zoning densities greater than LR3, such as MR(M1), NC1-30, NC1-40, and greater, parcels with these higher zonings that allow apartments, commercial buildings, mixed use, etcetera, all land analysis was provided by the Commercial Department (Commercial land values range from $240 to $375 per square foot, depending on zoning and location. More information can be found in the Commercial Area 17 report.). In Area 44 there are over 350 older single family residences, duplexes or triplexes on parcels that are zoned for higher density development or commercial use. Parcels with potential multiple building sites or have commercial development potential are coded as "Interim Use" for their Highest and Best Use as Improved. As demand for housing increases it is likely that many of these will be torn down and higher density development will be built.

For the residential zoned parcels (SF 5000), the average lot size is 4600 square feet and assuming no external influences such as traffic noise or view, it has a land value of $500,000. The average townhouse lot is 1200 square feet and is valued at $270,000 assuming no external obsolescence.

Area 44 was divided into 3 neighborhoods for analysis. The breakdown of these neighborhoods was utilized as an efficient technique to identify and value different pockets within sub areas. A map of these neighborhoods is included in this report.

Neighborhood 10 is located in the University District and sits between Interstate 5 and Montlake Blvd. They consist of parcels with LR1, LR2, LR3, MR (M1) or greater commercial zoning. There are no SF5000 zoned parcels in this part of Sub Area 6 and Sub Area 1. These parcels are mixed in between commercial structures or mixed use buildings. There are many parcels which currently have single family houses on site, but due to their higher density zoning and lot size, they may not reflect the highest and best use. There are 399 parcels in Neighborhood 10 of which 145 are townhouse parcels and 245 are currently being used as single family homes, duplexes, or triplexes. Of these 245 parcels, 236 are coded as interim use, meaning that the current use is not potentially its highest and best use and would suggest a future change in use would maximize the potential associated with the zoning and lot size of a given parcel.

Neighborhood 20 is situated north of NE Ravenna Blvd. and Ravenna Park and due east of Interstate 5. This neighborhood reflects part of Roosevelt and Ravenna. This area in recent years has been rezoned allowing higher density structures to be built. This in part is due to the new Light Rail train station that is currently being constructed in this neighborhood. Similar to neighborhood 10, there are single family homes that have been rezoned with higher density characteristics that would suggest a change

in use would be more fitting than its current use. In Neighborhood 20 there are 233 parcels, 31 are townhouse parcels and 202 are single family homes, duplexes, or triplexes. Of the 202 parcels, 35 are coded as interim use.

Neighborhood 25 is nearly all the other parcels in the Area 44 population. That would include townhomes along Sand Point Way NE and single family homes, duplexes, and triplexes in the communities of University District, Ravenna, Roosevelt, Bryant, and Hawthorne Hills. There are 4077 parcels in neighborhood 25, 3718 are single family homes sitting on SF5000 zoned lots. Most of the remaining lots are townhouses, duplexes, and triplexes.

This older urban area has seen increasing land values since 2008 due to high demand and recent rezoning in the western portion of the neighborhood by the City of Seattle to increase population density in this area. Part of the reason for the rezoning to higher density residential and commercial structures is because of the Light Rail train station being constructed in the Roosevelt and Ravenna community.

Throughout Area 44, parcels were adjusted for their external influences. Based on analysis of the land sales data, the land model adjusted externalities between -5% and -15% for traffic noise, -5% to -50% for steep topography, and -5% to -50% for water problems. Positive adjustments of 5% to 10% are reflected for varying Lake Washington or mountain and territorial views.

Base land value was determined by zoning and lot square footage. Then all negative externalities were taken together and applied. Finally all positive adjustments were taken together and applied.

For each property the positive adjustment was applied based only on the most valuable view. For example a parcel with fair Lake Washington (+10%) view and an average mountain (+5%) view would get a 10% positive adjustment for fair Lake Washington view and no adjustment for the average Mountain View.

Land Valuation Example: 5000 square foot parcel, zoned SF 5000, high traffic noise, average territorial

Lot size adjustment:	$500,000	
Traffic noise adjustment:	-$50,000	(-10%)
View adjustment:	+$25,000	(+5%)
Final Base land Value:	$475,000	

Land Value Model Calibration

Lot Size Adjustments for Single Site Parcels on SF5000 Zoned Land

Single Lot Zoned SF5000	
1-500	$190,000
501-1000	$230,000
1001-1500	$270,000
1501-2000	$310,000
2001-2500	$350,000
2501-3000	$390,000
3001-3500	$420,000
3501-4000	$460,000
4001-5000	$500,000
5001-6000	$540,000
6001-7000	$580,000
7001-8000	$620,000
8001-9000	$640,000
9001-10000	$680,000
10001-11000	$700,000
11001-12000	$1/sf >11,000 sf

Lot Size Adjustments for LR1/LR2/LR3 Zoned Land in Sub Areas

LR Lot Size SF	LR1 Subs 1&6	LR2 Subs 1&6	LR3 Subs 1&6
1-500	$190,000	$190,000	$190,000
501-1000	$230,000	$230,000	$230,000
1001-1500	$270,000	$270,000	$270,000
1501-2000	$310,000	$310,000	$310,000
2001-2500	$405,000	$450,000	$495,000
2501-3000	$495,000	$550,000	$605,000
3001-3500	$585,000	$650,000	$715,000
3501-4000	$675,000	$750,000	$825,000
4001-5000	$810,000	$900,000	$990,000
5001-6000	$990,000	$1,100,000	$1,210,000
6001-7000	$1,170,000	$1,300,000	$1,430,000
7001-8000	$1,350,000	$1,500,000	$1,650,000
8001-9000	$1,530,000	$1,700,000	$1,870,000

Land Value Model Calibration… Continued

LR Lot Size SF	LR1 Subs 2&3	LR2 Subs 2&3	LR3 Subs 2&3
1-500	$190,000	$190,000	$190,000
501-1000	$230,000	$230,000	$230,000
1001-1500	$270,000	$270,000	$270,000
1501-2000	$310,000	$310,000	$310,000
2001-2500	$382,000	$405,000	$427,000
2501-3000	$467,000	$495,000	$522,000
3001-3500	$552,000	$585,000	$617,000
3501-4000	$637,000	$675,000	$712,000
4001-5000	$765,000	$810,000	$855,000
5001-6000	$935,000	$990,000	$1,045,000
6001-7000	$1,105,000	$1,170,000	$1,235,000
7001-8000	$1,275,000	$1,350,000	$1,425,000
8001-9000	$1,445,000	$1,530,000	$1,615,000

Commercial Zoned Designations in Population

Commercial Zoned Parcels in Population
MR @ $300/square feet
MR (M1) @ $300/square feet
NC1-30 @ $200/square feet
NC1-40 @ $225/square feet
NC2-40 @ $250/square feet
NC2P-40 @ $240/square feet
NC3-65 @ $350/square feet
NC3-75 (M1) @ $360/square feet
NC3P-85 @ $370/square feet
SM-U 75-240 (M1) @ $360/square feet
SM-U/R 75-240 (M1) @ $360/square feet
SM-U 95-320 (M1) @ $375/square feet

Land Value Model Calibration… Continued

Land Adjustments for Views, Traffic, and Additional Factors

Territorial or Mountain View	
Average	5%
Good	10%

Lake Washington View	
Fair	10%

Traffic Adjustment	
Moderate	-5%
High	-10%
Extreme	-15%

Additional Adjustments	
Topography	-5% to -50%
Water Problem	-5% to -25%
Restricted Size/Shape	-5% to -50%
Other Environmental	-10%
Other Nuisance	-5%

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 sales lists, 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 1/1/2019.

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values. A cost based multiplicative regression model was developed for valuing the majority of parcels in area 44. The model was applied to detached single family, duplex, triplex and townhouse residences. In addition to standard physical property characteristics, the analysis showed that location, land value, building cost, accessory cost less depreciation, building grade, building condition, building size, and townhouse properties in specific areas were influential in the market.

Our team verified every sale and confirmed the characteristic data at the time of sale. We field inspected the sales, took new exterior pictures, and looked at characteristic data and pictures on various web sites. The model was tested for accuracy on all possible types of property in the population. 8 supplemental models were developed and applied to properties where the regression model was not deemed accurate. The valuation models were applied to the population after each parcel had been inspected in the field. Based on the sales an overall assessment level of 92.1% was achieved. The uniformity of assessment improved as the COD was reduced from 10.26% to 7.76%.

Improved Parcel Total Value Model Calibration

Variable	Definition
AgeC_Squared	Age of House
BaseLandC	2019 Adjusted Base Land Value
ComboCostC	(House Cost New) + (Accessory Cost New Less Depreciation)
GoodYN	House Condition is Good
VGoodYN	House Condition is Very Good
HiGradeYN	House Grade > 8
SFR_SmallAglaYN	House < 1500 sf Living Area Above Grade
Sub6YN	SubArea = 6
TownhsPltSubs2_3	Imp = Townhouse in Sub Areas 2 and 3

Multiplicative Model

(1-0.075) *3.13439504305542 - 0.00827285607822477 * AgeC_Squared + 0.194980891697073 * BaseLandC + 0.480492073925851 * ComboCostC + 0.029594440574812 * GoodYN + 0.0524233736477879 * HiGradeYN - 0.0268894742718954 * SFR_SmallAglaYN - 0.0402956094805217 * Sub6YN - 0.0500273740631244 * TownhsPltSubs2_3 + 0.0695262176166569 * VGoodYN

EMV values were not generated for:

- Buildings with grade less than 3
- 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
- Building condition is fair or poor
- Accessory only parcels
- Obsolescence % > 0
- Percent Complete < 100%

Of the improved parcels in the population, 3046 parcels increased in value. They were comprised of 593 single family and townhouse residences on commercially zoned land and 2453 single family residences or other parcels.

Of the vacant land parcels greater than $1,000, 19 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

Supplemental Models and Exceptions

Supplemental Model	Adjustment
Two Houses	EMV (main imp) + RCNLD 2nd Imp
Accessory Only	RCNLD Accessory
Obsolescence % > 0	% Obsolescence x Imp.
Building Condition Poor	BLV + RCNLD imp
Building Condition Fair	EMV x .99
Grade 10 & 11	EMV x .95
SFR with Traffic in Subs 2&3	EMV x .93
Townhouse with Traffic all Subs	EMV x .95

Physical Inspection Process

Effective Date of Appraisal: January 1, 2019
Date of Appraisal Report: August 22, 2019

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.

- Paul Greatorex – Appraiser II: Team lead, coordination, valuation model development and testing. Land and total valuation appraisals. Sales verification, physical inspection and report writing.
- Rebecca Love – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Leslie Clay – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Perter Hsu – 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 2018
5. Existing residences where the data for 2018 is significantly different than the data for 2019 due to remodeling
6. Parcels with improvement values, but no characteristics
7. Parcels with either land or improvement values of $10,000 or less posted for the 2018 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.

Physical Inspection Process… Continued

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.

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 1/1/2016 to 12/31/2018 (at minimum) were considered in all analyses.
- Sales were time adjusted to 1/1/2019.
- This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice Standards 5 & 6.

Area 044 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. Market conditions prevalent in the last three years indicated that the best methodology for tracking market movement through time is a modelling technique using splines. Put simply, this is a way of drawing best fit lines through the data points in situations where there may be several different trends going on at different times. Splines are the use of two or more straight lines to approximate trends and directions in the market. Splines are best suited to react to the sudden market changes prevalent in 2018. To create larger and more reliable data sets for time trending, it was necessary in most instances to combine geographic areas that were performing similarly in the marketplace. A market turning point at the intersection of the two splines, was estimated to be 05/15/2018. The following chart shows the % time adjustment required for sales to reflect the indicated market value as of the assessment date, January 1, 2019.

The time adjustment formula for Area 44 is:

(0.837584285982993 - 0.000310425132646799 * ((SaleDate<=43235)*SaleDate+(SaleDate>43235)*43235-43466)+ 0.000249921469000106 *((SaleDate>=43236)*SaleDate+(SaleDate<43236)*43235-43466))/(0.837584285982993 - 0.000310425132646799*(-231))

For example, a sale of $600,000 which occurred on October 1, 2017 would be adjusted by the time trend factor of 1.014, resulting in an adjusted value of $608,000 ($600,000 * 1.014=$608,000) – truncated to the nearest $1000.

Area 044 Market Value Changes Over Time

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2016	1.232	23.2%
2/1/2016	1.222	22.2%
3/1/2016	1.212	21.2%
4/1/2016	1.201	20.1%
5/1/2016	1.191	19.1%
6/1/2016	1.180	18.0%
7/1/2016	1.170	17.0%
8/1/2016	1.159	15.9%
9/1/2016	1.149	14.9%
10/1/2016	1.139	13.9%
11/1/2016	1.128	12.8%
12/1/2016	1.118	11.8%
1/1/2017	1.107	10.7%
2/1/2017	1.097	9.7%
3/1/2017	1.087	8.7%
4/1/2017	1.076	7.6%
5/1/2017	1.066	6.6%
6/1/2017	1.056	5.6%
7/1/2017	1.045	4.5%
8/1/2017	1.035	3.5%
9/1/2017	1.024	2.4%
10/1/2017	1.014	1.4%
11/1/2017	1.003	0.3%
12/1/2017	0.993	-0.7%
1/1/2018	0.983	-1.7%
2/1/2018	0.972	-2.8%
3/1/2018	0.962	-3.8%
4/1/2018	0.952	-4.8%
5/1/2018	0.942	-5.8%
6/1/2018	0.941	-5.9%
7/1/2018	0.949	-5.1%
8/1/2018	0.958	-4.2%
9/1/2018	0.966	-3.4%
10/1/2018	0.975	-2.5%
11/1/2018	0.983	-1.7%
12/1/2018	0.991	-0.9%
1/1/2019	1.000	0.0%

Sales Sample Representation of Population

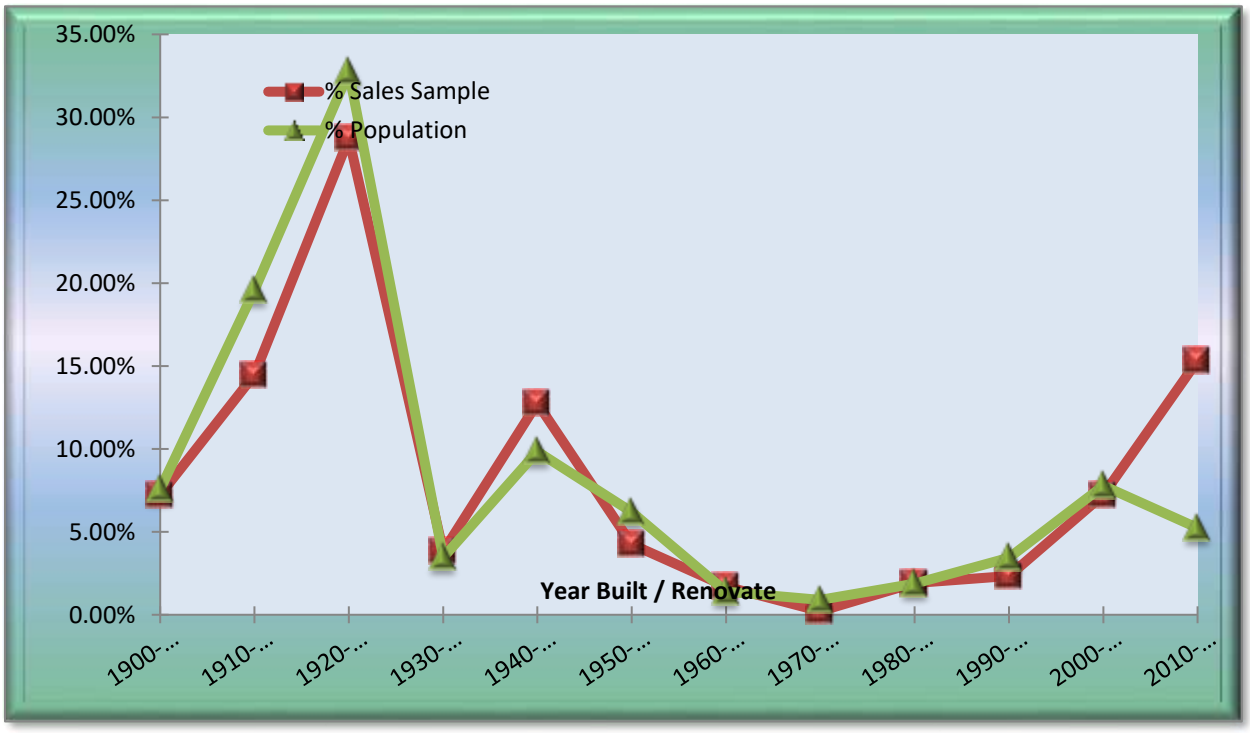
Year Built or Renovated

Sales

Year Built/Ren	Frequency	% Sales Sample
1900-1909	34	7.23%
1910-1919	68	14.47%
1920-1929	135	28.72%
1930-1939	18	3.83%
1940-1949	60	12.77%
1950-1959	20	4.26%
1960-1969	8	1.70%
1970-1979	1	0.21%
1980-1989	9	1.91%
1990-1999	11	2.34%
2000-2009	34	7.23%
2010-2018	72	15.32%
	470	

Population

Year Built/Ren	Frequency	% Population
1900-1909	346	7.57%
1910-1919	894	19.56%
1920-1929	1,496	32.74%
1930-1939	158	3.46%
1940-1949	450	9.85%
1950-1959	283	6.19%
1960-1969	64	1.40%
1970-1979	41	0.90%
1980-1989	86	1.88%
1990-1999	157	3.44%
2000-2009	356	7.79%
2010-2018	239	5.23%
	4,570	



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

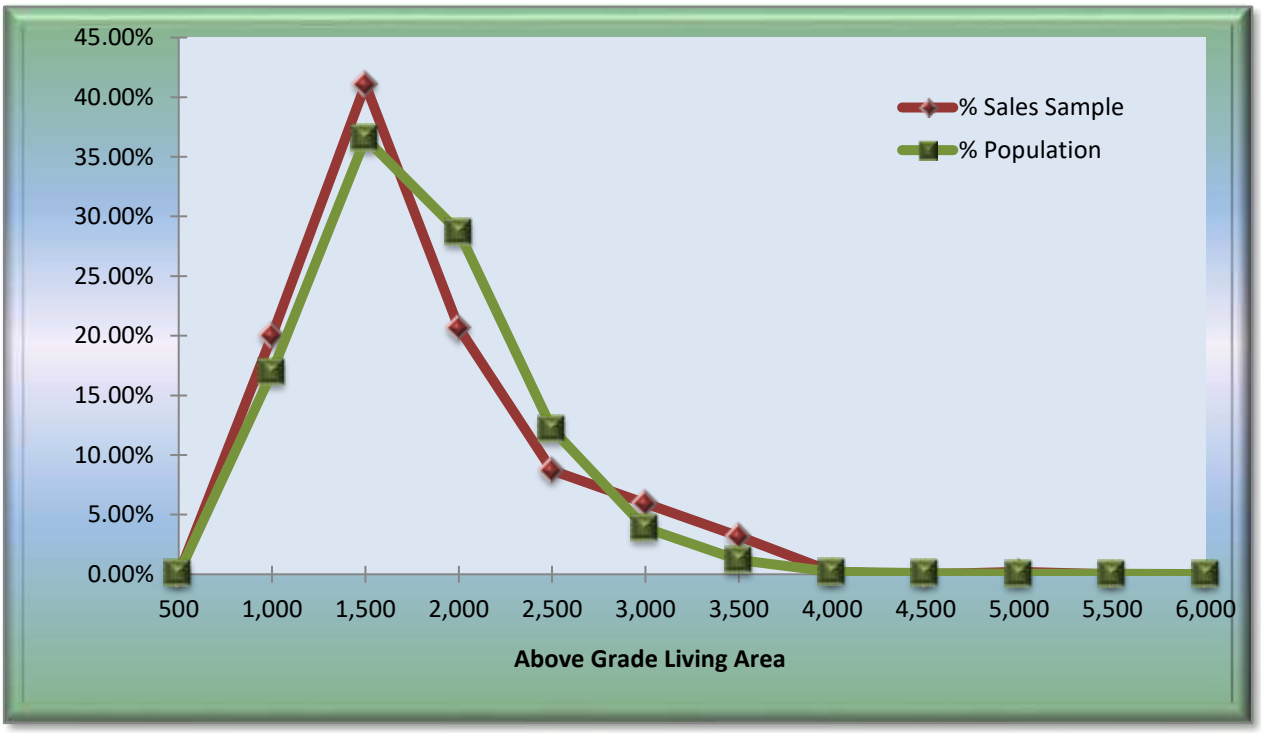
Above Grade Living Area

Sales

AGLA	Frequency	% Sales Sample
500	0	0.00%
1,000	94	20.00%
1,500	193	41.06%
2,000	97	20.64%
2,500	41	8.72%
3,000	28	5.96%
3,500	15	3.19%
4,000	1	0.21%
4,500	0	0.00%
5,000	1	0.21%
5,500	0	0.00%
6,000	0	0.00%
	470	

Population

AGLA	Frequency	% Population
500	3	0.07%
1,000	775	16.96%
1,500	1,670	36.54%
2,000	1,311	28.69%
2,500	558	12.21%
3,000	178	3.89%
3,500	55	1.20%
4,000	10	0.22%
4,500	5	0.11%
5,000	2	0.04%
5,500	2	0.04%
6,000	1	0.02%
	4,570	



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

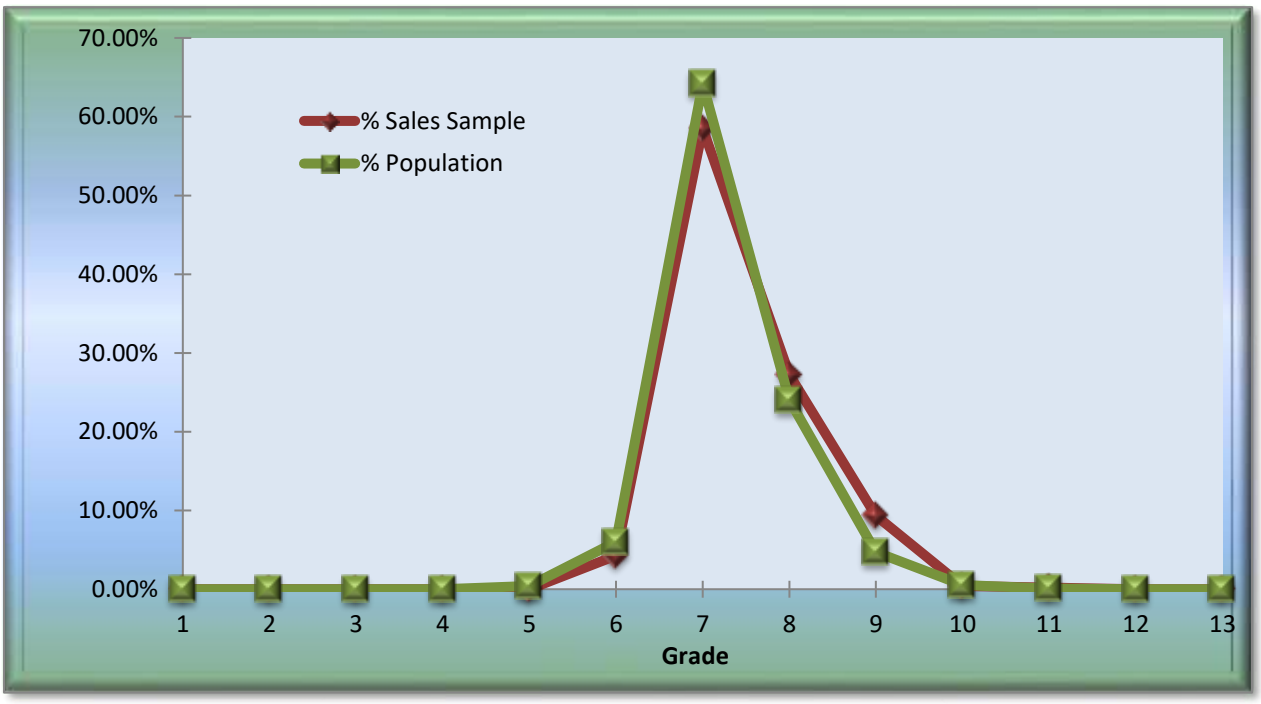
Building Grade

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	20	4.26%
7	275	58.51%
8	128	27.23%
9	44	9.36%
10	2	0.43%
11	1	0.21%
12	0	0.00%
13	0	0.00%
	470	

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	1	0.02%
5	18	0.39%
6	275	6.02%
7	2,935	64.22%
8	1,097	24.00%
9	216	4.73%
10	24	0.53%
11	4	0.09%
12	0	0.00%
13	0	0.00%
	4,570	



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.

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 92.1% . 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 2019 assessment year (taxes payable in 2020) results in an average total change from the 2018 assessments of +4.0%. 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 2019 recommended values. This study benchmarks the prior assessment level using 2018 posted values (1/1/2018) compared to current adjusted sale prices (1/1/2019). The study was also repeated after the application of the 2019 recommended values. The results show an improvement in the COD from 10.26% to 7.76%.

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.

Area 044 Housing Profile

Grade 5/ Year Built 1923/ Total Living Area 730

Grade 6/ Year Built 1947/ Total Living Area 780

Grade 7/ Year Built 1951/ Total Living Area 1,750

Grade 8/ Year Built 1924/ Total Living Area 2,740

Grade 9/ Year Built 2007/ Total Living Area 3,750

Grade 10/ Year Built 2005/ Total Living Area 3,880

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.

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 Standard 6. To fully understand this report the reader may need to refer to the Assessor's Property Record Files, Assessors Real Property Data Base, separate studies, Assessor's Procedures, Assessor's field maps, Revalue Plan and the statutes.

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

Definition and date of value estimate:

Market Value

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

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

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

Highest and Best Use

RCW 84.40.030

> *All property shall be valued at one hundred percent of its true and fair value in money and assessed on the same basis unless specifically provided otherwise by law.*
>
> *An assessment may not be determined by a method that assumes a land usage or highest and best use not permitted, for that property being appraised, under existing zoning or land use planning ordinances or statutes or other government restrictions.*

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

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

If a property is particularly adapted to some particular use this fact may be taken into consideration in estimating the highest and best use. (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.

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.

- 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:

Rebecca Love
- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Land and Total Valuation
- New Construction Evaluation

Leslie Clay
- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Land and Total Valuation
- New Construction Evaluation

Peter Hsu
- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- 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:

Paul Greatorex
- Annual Up-Date Model Development and Report Preparation
- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Physical Inspection Model Development and Report Preparation
- Land and Total Valuation
- New Construction Evaluation

8/22/2019

Appraiser II: Paul Greatorex — Date

USPAP Compliance

King County

Department of Assessments
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John Wilson
Assessor

As we start preparations for the 2019 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, 2019 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